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HISTORY

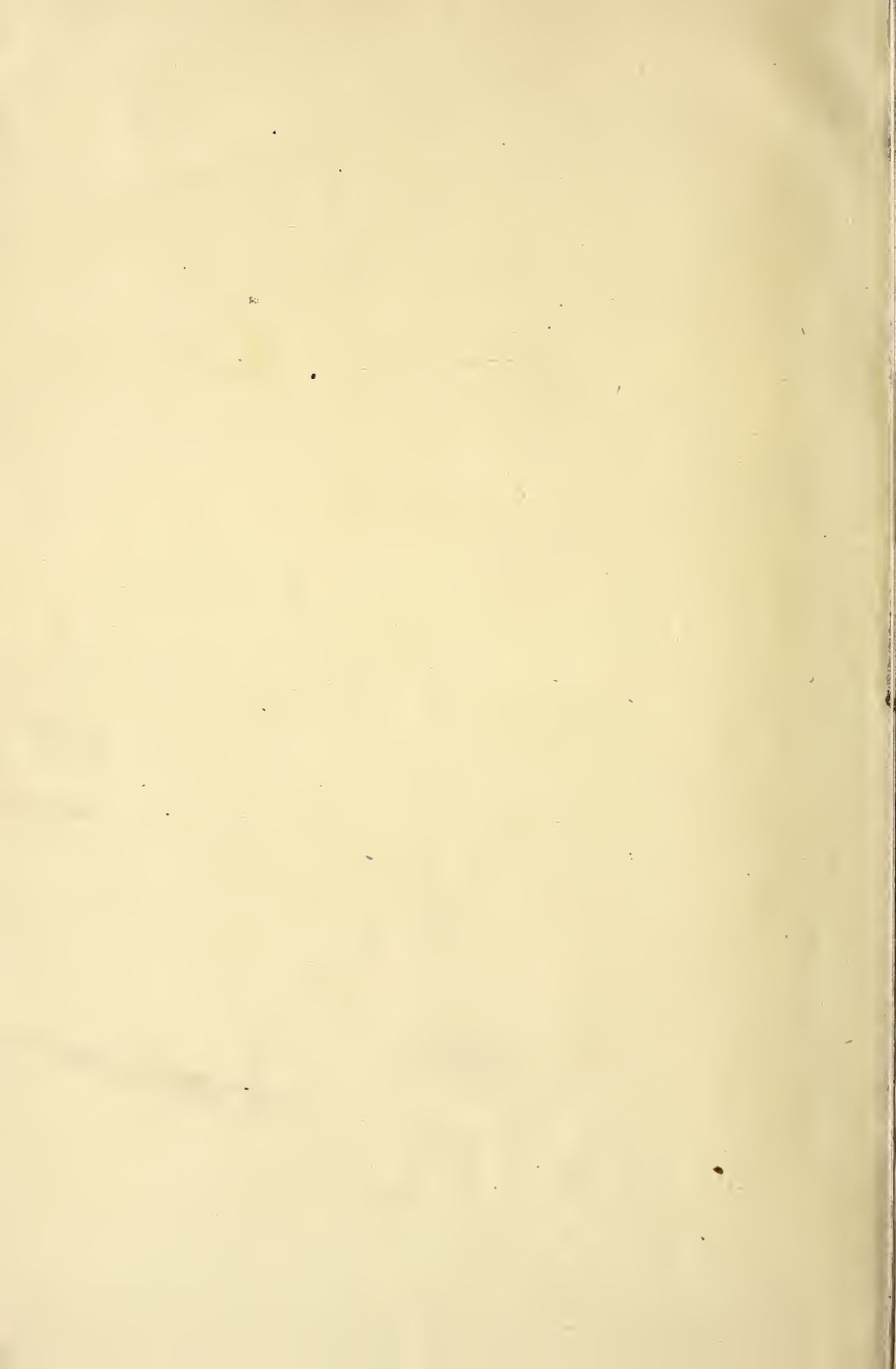
OF THE

Raleigh & Augusta Air-Line Railroad Co.,

KNOWN ORIGINALLY AS THE

CHATHAM RAILROAD COMPANY,

INCLUDING ALL THE ACTS OF THE GENERAL ASSEMBLIES OF NORTH
AND SOUTH CAROLINA RELATING THERETO.



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OF THE
Raleigh & Augusta Air-Line R. R. Co.,
KNOWN ORIGINALLY AS THE
CHATHAM RAILROAD COMPANY,
INCLUDING ALL THE
ACTS OF THE GENERAL ASSEMBLIES
OF
NORTH AND SOUTH CAROLINA
RELATING THERETO.

COMPILED BY
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HISTORY OF THE RALEIGH AND AUGUSTA RAILROAD COMPANY, commencing from the year 1855, the date of incorporation of the original company, styled "The Chatham Railroad Company," and continued to the present date—containing those Acts of the General Assembly of North Carolina bearing directly upon the charter and privileges of the Company, and statements of such proceedings on the part of the stockholders, the Board of Directors, and other parties, as affect the general interests of the Company.

History of the
Chatham Railroad
Company.

The following Act entitled "*An act to incorporate the Chatham Railroad Company*," was passed by the Legislature of North Carolina on the 14th day of February, 1855.

Charter of the
Chatham Railroad
Company.

AN ACT TO INCORPORATE THE CHATHAM RAILROAD COMPANY.

SECTION 1. *Be it enacted by the General Assembly of the State of North Carolina, and it is hereby enacted by the authority of the same,* That for the purpose of effecting a railroad communication between Deep river, at or near the Coalfields, in the county of Chatham, and the City of Raleigh or some point on the North Carolina Railroad at some point west of the city of Raleigh in this State, the formation of a corporate company with a capital stock of eight hundred thousand dollars is hereby authorized, to be called the "Chatham Railroad Company," and when formed in compliance with the conditions herein prescribed, to have a corporate existence as a body politic in perpetuity.

Company to be
formed.

SEC. 2. *Be it further enacted,* That said company be and the same is hereby authorized to construct a railroad from Deep river, at or near the Coalfields, in the county of Chatham, through the said county to the city of Raleigh.

Location.

eight, or to some point on the North Carolina Railroad at some point west of the city of Raleigh.

Commissioners.

SEC. 3. *Be it further enacted*, That for the purpose of creating the capital stock of said company the following persons be and the same are hereby appointed commissioners, to-wit: Henry A. London, Isaac Hall, Benjamin I. Houze, Robert Faucet, Nathaniel Clegg, Peter Evans, Spencer McClenahan and Brooks Harris, whose duty it shall be to direct the opening of books for subscriptions of stock either by individuals or corporations, at such times and places, and under the direction of such person or persons as they or a majority of them may deem proper.

Books to be opened.

SEC. 4. *Be it further enacted*, That all persons who may hereafter be authorized to open books for the subscription of stock by the commissioners herein appointed for that purpose, shall open said books at any time after the ratification of this act, twenty days' previous notice being given in some one or more of the public newspapers in this State; and that said books, when opened, shall be kept open for the space of thirty days at least, and as long thereafter as the commissioners first above named shall direct; that all subscriptions of stock shall be in shares of one hundred dollars, the subscriber paying at the time of making such subscription five dollars on each share thus subscribed to the person or persons authorized to receive such subscription, and in case of failure to pay said sum all such subscriptions shall be void and of no effect if the commissioners choose so to declare it, or they may direct it to be recovered by suit or otherwise. And upon closing the books all such sums as shall have been thus received of subscribers on the first cash instalment shall be paid over to the general commissioners named in the third section of this act by the persons receiving them; and for the failure thereof such person or persons shall be personally liable to said general commissioners

before the organization of said company, and to the company itself after its organization, to be recovered in the superior court of law within the State, in the county where such delinquent resides, or if he resides in any other state then in any court in such state having competent jurisdiction; that said general commissioners shall have power to call on and require all persons empowered to receive subscriptions of stock at any time, and from time to time, as a majority of them think proper, to make a return of the stock by them respectively received and to make payment of all sums of money made by the subscribers; that all persons receiving subscriptions of stock shall pass a receipt to the subscriber or subscribers for the payment of the first installment, as heretofore required to be paid, and upon their settlement with the general commissioners as aforesaid it shall be the duty of the said general commissioners in like manner to pass their receipt for all sums thus received to the persons from whom received, and such receipt shall be taken and held to be good and sufficient vouchers to the persons holding them; that subscriptions of stock shall be thus received to an amount not exceeding eight hundred thousand dollars.

SEC. 5. *Be it further enacted,* That it shall be the duty of said general commissioners to direct and authorized the keeping of books for the subscription of stock in the manner above described, until the sum of three hundred thousand dollars shall have been subscribed to the capital stock of said company, and so soon as the said sum of three hundred thousand dollars shall have been subscribed and the first instalment of five dollars per share on said sum shall have been received by the general commissioners, said company shall be regarded as formed, and said commissioners, or a majority them, shall sign and seal a declaration to that effect, with the names of all the subscribers appended, and cause the said declaration to be deposited in the office of the secretary of state, and thenceforth from the closing of the books of

General commis-
sioners.

subscription as aforesaid the said subscribers to the stock shall form one body politic and corporate in deed and in law in said state and for the purposes aforesaid, by the name and style of "The Chatham Railroad Company."

When a body
corporate.

SEC. 6. *Be it further enacted*, That whenever the sum of three hundred thousand dollars shall be subscribed for in manner and form aforesaid, the subscribers, their executors, administrators and assigns shall be, and they are hereby declared to be incorporated into a company by the name and style of the Chatham Railroad Company, and by that name shall be capable in law and equity of purchasing, holding, selling, leasing and conveying estates, real, personal and mixed, and acquiring the same by gift or devise, so far as shall be necessary for the purposes embraced within the scope, object and intent of their charter, and no further; and shall have perpetual succession, and by their corporate name may sue and be sued, plead and be impleaded in any court of equity and law in North Carolina, and may have and use a common seal, which they may alter and renew at pleasure, and shall have and enjoy all other rights and immunities which other corporate bodies may and of right do exercise, and may make all such by-laws, rules and regulations as are necessary for the government of the corporation, or effecting the objects for which it is created, not inconsistent with the constitution and laws of the United States and of the State of North Carolina.

Process.

SEC. 7. *Be it further enacted*, That notice of process upon the principal agent of said company, or the president or any of the directors thereof, shall be deemed and taken to be due and lawful notice of service of process upon the company, so as to bring it before any of the courts of this state.

Meeting.

SEC. 8. *Be it further enacted*, That as soon as the sum of three hundred thousand dollars shall have been sub-

scribed in manner aforesaid, it shall be the duty of the general commissioners appointed under the third section of this act to appoint a time for the stockholders to meet at Pittsboro, in the county of Chatham and State of North Carolina, which they shall cause to be previously published for the space of thirty days in one or more newspapers published in the State of North Carolina, at which time and place the said stockholders, in person or by proxy, shall proceed to elect the directors of the company, and enact all such regulations and by-laws as may be necessary for the government of the corporation and the transaction of its business. The persons elected directors at this meeting shall serve such period not exceeding one year, as the stockholders may direct, and at this meeting the stockholders shall fix on the day and place or places where the subsequent election of directors shall be held, and such election shall henceforth be annually made; but if the day of the annual election should pass without any election of directors, the corporation shall not be thereby dissolved, but it shall be lawful on any other day to hold and make such election in such manner as may be prescribed by a by-law of the corporation.

SEC. 9. *Be it further enacted*, That the affairs of said company shall be managed and directed by a general board to consist of twelve directors, to be elected by the stockholders from among their number, at their first and subsequent general annual meeting, as prescribed in section eighth of this act.

SEC. 10. *Be it further enacted*, That the election of directors shall be by ballot, each stockholder having as many votes as he has shares in the stock of said company, and the person having a majority of all the votes polled shall be considered as duly elected. Elections.

SEC. 11. *Be it further enacted*, That the president of the President.

company shall be elected by the directors from among their number in such manner as the regulations of the company shall prescribe.

First meeting.

SEC. 12. *Be it further enacted,* That at the first general meeting of stockholders, directed to be called under section eighth of this act, a majority of all the shares subscribed shall be represented before proceeding to business; and if a sufficient number do not appear on the day appointed, those who do attend shall have power to adjourn from time to time until a regular meeting shall be thus formed; and at said meeting the stockholders may provide by a by-law as to the number of stockholders and the amount of stock to be held by them, which shall constitute a quorum for transacting business at all subsequent; regular, or occasional meetings of stockholders and directors.

Votes.

SEC. 13. *Be it further enacted,* That at all elections, and upon all votes taken in any general meeting of stockholders upon any by-law or any of the affairs of said company, each share of stock shall be entitled to one vote; and that any stockholder in said company may vote by proxy, and proxies may be verified in such manner as the stockholders by by-laws may prescribe.

Returns.

SEC. 14. *Be it further enacted,* That the general commissioners shall make their returns of the shares of stock subscribed for at the first general meeting of the stockholders, and pay over to the director elected at said meeting, or their authorized agents, all sums of money received from subscribers; and, for failure therefor, shall be personally liable to said company to be recovered at the suit of said company in any of the superior courts of law in the state within the county where such delinquent or delinquents may reside, and in like manner from said

delinquent or delinquents, executors or administrators, in case of his or her death.

SEC. 15. *Be it further enacted*, That the board of directors may fill up all vacancies which may occur in it during the period for which they have been elected, and in the absence of the president may fill his place by electing a president *pro tempore* from among their number. Vacancies.

SEC. 16. *Be it further enacted*, That all contracts or agreements authenticated by the president and secretary of the board of directors, shall be binding on the company without a seal, or such mode of authentication may be used as the company by their by-laws may adopt. Contracts.

SEC. 17. *Be it further enacted*, That the company shall have power and may proceed to construct as speedily as possible, a railroad with one or more tracks, to be used with steam power, which shall extend from Deep river, at or near the coalfields, in the county of Chatham, through said county of Chatham to the city of Raleigh, or at some point on the North Carolina Railroad at some point west of the city of Raleigh; said company may use any section of the railroad constructed by them before the whole of said road shall be completed. Powers.

SEC. 18. *Be it further enacted*, That the said company shall have the exclusive right of conveyance or transportation of persons, goods, merchandise and produce over the said railroad to be by them constructed; at such charges as may be fixed on by a majority of the directors. Exclusive right.

SEC. 19. *Be it further enacted*, That the said company may, when they see fit, farm out their rights of transportation over said railroad subject to the rules above mentioned, and said company, and every person who may have received from them the right of transportation of goods, wares and produce on the said railroad, shall be deemed May farm rights.

and taken to be a common carrier, as respects all goods, wares and produce, and merchandise, intrusted to them for transportation.

Installments.

SEC. 20. *Be it further enacted*, That the board of directors may call for the payment of the sums subscribed, as stock in said company, in such instalments as the interest of said company may in their opinion require; the call for each payment shall be published in one or more newspapers in the state for the space of one month before the day of payment, and on failure of any stockholders to pay each instalment as thus required, the directors may sell at public auction, on previous notice of ten days, for cash, all the stock subscribed for in said company by such stockholder, and convey the same to the purchaser at said sale, and if such sale of stock do not produce a sum sufficient to pay off the incidental expenses of the sale, and the entire amount owing by such stockholder to the company for such subscription of stock, then and in that case the whole of such balance shall be held and taken as due at once to the company and may be recovered of such stockholder, his executors, administrators and assigns at the suit of said company either by summary motion in any court of superior jurisdiction in the county where the delinquent resides, on a previous notice of ten days to said subscriber, or by the action of assumpsit in any court of competent jurisdiction, or by warrant before a justice of the peace where the sum due does not exceed one hundred dollars, and in all cases of assignment of stock before the whole amount has been paid to the company, then for all such sums due on such stock, both the original subscribers and the first and all subsequent assignees, shall be liable to the company and the same may be recovered as above described.

SEC. 21. *Be it further enacted*, That the debt of stockholders due the company for stock therein, either as

original proprietor, or as first or subsequent assignee, shall be considered as of equal dignity with judgments, in the distribution of assets of a deceased stockholder, by his legal representatives.

SEC. 22. *Be it further enacted*, That said company shall issue certificates of stock to its members, and said stock may be transferred in such manner and form as may be directed by the by-laws of the company. Certificates.

SEC. 23. *Be it further enacted*, That the said company may at any time increase its capital to a sum sufficient to complete said road, not [exceeding] eight hundred thousand dollars, either by opening books for new stock, or by selling such new stock, or by borrowing money upon the credit of the company and the mortgage of its charter and works; and the manner in which the same shall be done, in either case, shall be prescribed by the stockholders at a general meeting. May increase stock.

SEC. 24. *Be it further enacted*, That the board of directors shall, once in every year at least, make a full report on the state of the company and its affairs to a general meeting of the stockholders, and oftener if directed by a by-law, and shall have power to call a general meeting of the stockholders when the board may deem it expedient, and the company may provide in their by-laws for occasional meetings being called, and prescribe the mode thereof. Reports.

SEC. 25. *Be it further enacted*, That the said company may purchase, have and hold in fee, or for a term of years, any lands, tenements or hereditaments, which may be necessary for the said road or the appurtenances thereof, or for the erection of depositories, storehouses, houses for the officers, servants or agents of the company, or for workshops or foundries to be used for the said company, or for procuring stone or other materials necessary to the

construction of the road or for effecting transportation thereon, and for no other purpose whatever.

May cross roads,
&c.

SEC. 26. *Be it further enacted*, That the said company shall have the right when necessary to conduct the said road across or along any public road or water course: *Provided*, That the said company shall not obstruct any public road without constructing another equally as good and as convenient as may be, nor without making a draw in any bridge of said road which may cross a navigable stream sufficient for the passage of vessels navigating said stream, which draw shall be opened by the company for the free passage of vessels navigating such stream.

Right of way.

SEC. 27. *Be it further enacted*, That when any land or right of way may be required by said company, for the purpose of constructing their road, and for the want of agreement as to the value thereof, or from any other cause, the same cannot be purchased from the owner or owners, the same may be taken at a valuation to be made by five commissioners, or a majority of them, to be appointed by any court of record having common law jurisdiction in the county where some part of the land or right of way is situated. In making said valuation the said commissioners shall take into consideration the loss or damage which may occur to the owner or owners, in consequence of the land being taken or the right of way surrendered, and also the benefit and advantage he, she or they may receive from the erection or establishment of the railroad or work, and shall state particularly the amount of each; and the excess of loss and damage over and above the advantage and benefit shall form the measure of valuation of the said land or right of way. *Provided, nevertheless*, That if any person or persons over whose land the road may pass, should be dissatisfied with the valuation of said commissioners, then and in that case the person or persons so dissatisfied may have an appeal to the superior court in the county where said

valuation has been made, or in either county in which the land lies, when it may lie in more than one county, under the same rules, regulations and restrictions as in appeals from judgments of justices of the peace. The proceedings of the said commissioners, accompanied with a full description of the said land or right of way, shall be returned under the hands and seals of a majority of the commissioners to the court from which the commission issued, there to remain a matter of record; and the lands or right of way so valued by the commissioners shall vest in the said company so long as the same shall be used for the purposes of said railroad, so soon as the valuation may be paid, or when refused, may have been tendered. *Provided*, That on application for the appointment of commissioners under this section it shall be made to appear to the satisfaction of the court that at least ten days' previous notice has been given by the applicant to the owner or owners of the land so proposed to be condemned, or if the owner or owners be infants, or *non compos mentis*, then to the guardians of such owners, if such guardian can be found within the county, or if he cannot be so found, then such appointment shall not be made unless notice of the application shall have been published at least one month next preceding in some newspaper, printed as convenient as may be to the court house of the county, and shall have been posted at the door of the court house on the first day, at least, of the next succeeding term of said court. *And provided further*, That the valuation provided for in this section shall be made on oath by the commissioners aforesaid, which oath any justice of the peace or clerk of the court of the county in which the land or a part of it lies, is hereby authorized to administer. *Provided further*, That the right of condemnation herein granted shall not authorize said company to invade the dwelling-house, yard, garden or burial ground of any individual without his consent.

SEC. 28. *Be it further enacted*, That the right of said com- Extent of lands.
pany to condemn land in the manner described in the

twenty seventh section of this act, shall extend to the condemning of land one hundred feet on each side of the main track of the road, measuring from the center of the same, unless in case of deep cuts and fillings, when said company shall have power to condemn as much, in addition thereto, as may be necessary for the purpose of constructing said road ; and the company shall also have power to condemn and appropriate lands in like manner for the constructing and building of depots, shops, work-houses, buildings for the officers, servants, agents and persons employed on the road, not exceeding two acres in any one lot or station.

When no contract.

SEC. 29. *Be it further enacted*, That in the absence of any contract or contracts with said company in relation to lands through which the said road or its branches may pass, signed by the owner thereof or his agent, or any claimant or person in possession thereof which may be confirmed by the owner thereof, it shall be presumed that the land upon which the said railroad or any of its branches may be constructed, together with a space of one hundred feet on each side of the centre of said road, has been granted to the company by the owner or owners thereof, and the said company shall have good right and title thereto, and shall have, hold and enjoy the same as long as the same be used for the purpose of said road, and no longer, unless the person or persons owning the said land at the time that part of the said road which may be on the said land was finished, or those claiming under him, her or them, shall apply for an assessment of the value of said lands, as hereinbefore directed, within two years next after that part of said road was finished ; and in case the said owner or owners, or those claiming under him, her or them shall not apply within two years next after the said part was finished, he, she or they shall be forever barred from recovering said land, or having any assessment or compensation therefor : *Provided*, Nothing herein contained shall affect the rights of *feme covert*s or

infants until two years after the removal of their disabilities.

SEC. 30. *Be it further enacted*, That all lands not heretofore granted to any person, nor appropriated by law to the use of the State, within one hundred feet of the centre of the road which may be constructed by the said company, shall vest in the company as soon as the line of the road is definitely laid out through it, and any grant thereafter shall be void.

SEC. 31. *Be it further enacted*, That if any person or persons shall intrude upon the said railroad by any manner of use thereof, or of the right and privileges connected therewith, without the permission, or contrary to the will of said company, he, she, or they shall forthwith forfeit to the said company all the vehicles that may be intruded on the said road, and the same be recovered by suit at law; and the person or persons so intruding may also be indicted for misdemeanor, and, upon conviction, fined and imprisoned by any court of competent jurisdiction. Intrusion.

SEC. 32. *Be it further enacted*, That if any person shall wilfully and maliciously destroy, or in any manner hurt, damage or obstruct, or shall wilfully and maliciously cause, or aid, or assist, or counsel and advise any other person or persons to destroy, or in any manner to hurt, damage, or destroy, injure or obstruct the said railroad, or any bridge or vehicle used for or in the transportation thereon, any water-tank, warehouse, or any other property of said company, such person or persons so offending shall be liable to be indicted therefor, and on conviction, shall be imprisoned not more than six nor less than one month, and pay a fine not exceeding five hundred dollars or less than twenty, at the discretion of the court before which said conviction shall take place, and shall be further liable to pay all expenses of repairing the same; Wilful injury.

and it shall not be competent for any person so offending against the provisions of this clause to defend himself by pleading or giving in evidence that he was the owner or agent, or servant of the owner of the land where such destruction, hurt, damage, injury or obstruction was done at the time the same was done or caused to be done.

Obstructions.

SEC. 33. *Be it further enacted*, That every obstruction to the safe and free passage of vehicles, on the said road or its branches, shall be deemed a public nuisance, and may be abated as such by any officer, agent or servant of the company, and the person causing such obstruction may be indicted and punished for erecting a public nuisance.

Goods, wares, &c.

SEC. 34. *Be it further enacted*, That the said company shall have the right to take at the store houses they may establish on or annex to their railroad or the branches thereof, all goods, wares, merchandise and produce intended for transportation, prescribe the rules of priority, and charge and receive such just and reasonable compensation for storage as they by rules may establish, which they shall cause to be published, or as may be fixed by agreement with the owner, which may be distinct from the rates of transportation. *Provided*, That the said company shall not charge or receive storage on goods, wares, merchandise or produce which may be delivered to them at their regular depositories for immediate transportation, and which the company may have the power of transporting immediately.

SEC. 35. *Be it further enacted*, That the profits of the company or so much thereof as the general board may deem advisable, shall, when the affairs of the company will permit, be semi-annually divided among the stockholders in proportion to the stock each may own.

SEC. 36. *Be it further enacted*, That the capital stock in said company, and all the property, real and personal, belonging to the said company, shall be exempt from taxation by the State of North Carolina, or any corporate

or municipal police or other authority thereof, or any town, city or county for the term of fifteen years: *Provided*, That it shall be competent for the legislature of North Carolina, but for no municipal town, county or corporate authority, at any time after the expiration of the period aforesaid, to impose such tax upon the estate, both real and personal, of the said company as they may deem reasonable and just, not exceeding, however, in any event the tax imposed on the respective citizens of said state or property owned by them, of a similar character.

SEC. 37. *Be it further enacted*, That the following officers and servants and persons in the actual employment of said company be and are hereby exempted from the performance of jury and ordinary militia duty; the president and treasurer of the board of directors, and chief assistant engineers, the secretaries and accountants of the company, keepers of the depositories, guard stationed on the road to protect it from injury, and such persons as may be working the locomotive engines and traveling with the cars for the purpose of attending to the transportation of produce, goods and passengers on the road.

SEC. 38. *Be it further enacted*, That said company shall have power to connect one terminus of their said road with the North Carolina Road in such manner as to prevent any drayage or any unnecessary transportation of goods, produce, merchandise and passengers by horse power between said roads, not, however, interfering with or hindering the rightful exercise of the North Carolina Railroad Company under their present charter. Connection.

SEC. 39. *Be it further enacted*, That the company shall begin the construction of the said railroad within two years from the first day of January, eighteen hundred and fifty-five, and complete it within ten years thereafter, otherwise the privileges here granted shall be forfeited and cease, except for so much of said road as shall then be actually When to begin.

constructed and in operation; and for the part thus actually constructed the said company shall be entitled to all the privileges of this act of incorporation in as full a measure as if the whole line of said road had been constructed and put in operation as at present contemplated.

SEC. 40. *Be it further enacted*, That any incorporated company shall and may have authority to subscribe such sum to said railroad as a majority of its members may determine upon.

Public act.

SEC. 41. *Be it further enacted*, That this act shall be regarded as a public act, and may be given in evidence as such in all cases without special pleading.

SEC. 42. *Be it further enacted*, That this act shall be in force from and after its ratification.

[*Ratified the 14th day of February, 1855.*]

The following act was ratified 15th February, 1861:

AN ACT TO INCORPORATE THE CHATHAM RAILROAD COMPANY.

Capital stock.

SECTION 1. *Be it enacted by the General Assembly of the State of North Carolina, and it is hereby enacted by the authority of the same*, That a company is authorized to be formed, with a capital stock of eight hundred thousand dollars, to be divided into shares of one hundred dollars each, to be called and known as the "Chatham Railroad Company," for the purpose of building and constructing a railroad, with one or more tracks, to be used with steam and other motive power, from the Coalfields in the county of Chatham, through said county to Raleigh, or some point west of Raleigh not exceeding twelve miles, the nearest and most practicable route; and such company, when formed as hereafter directed, shall have power to receive, possess, own and transfer real and personal property, to have a common seal, and to pass such by-laws, not incon-

Corporate title.

Powers.

sistent with the laws of this State, as may be necessary to carry out the object of the corporation ; shall be capable in law of suing and being sued, pleading and being impleaded, and shall have and enjoy all the rights of other corporate bodies under the laws of this State, to condemn land for right of way and all other purposes necessary to carry into effect the purposes of said company ; and shall generally have and possess all the rights, privileges and immunities, and be subject to the limitations and restrictions of corporate bodies in this State ; and shall have the exclusive right to transfer and carry persons, produce, merchandize and minerals on and along such railroad at such prices as they may fix.

SEC. 2. *Be it further enacted*, That for the purpose of creating the capital of such company John C. Stone, Henry A. London, Frank Page, Kemp P. Battle, O. A. Taylor, T. D. Hogg, Rufus S. Tucker, W. P. Taylor, Wm. Hogan Jones and Elias Bryan are hereby appointed commissioners, whose duty it shall be, as soon after the passage of this Act as may be, to appoint such commissioners to open books of subscription at such places and at such times as to them shall seem best, and under such rules and regulations as they may prescribe. Commissioners.

SEC. 3. *Be it further enacted*, That whenever the sum of one hundred thousand dollars shall have been subscribed to the capital stock of said company by solvent subscribers, it shall be the duty of the commissioners aforesaid to call a general meeting of the stockholders, after giving such notice as to them shall seem sufficient, and at such times and places as they shall determine ; and at all general meetings of said stockholders, not less than a majority of all the stock subscribed shall constitute a quorum for the transaction of business, and said stockholders, when so met in general meeting, shall have power, and it shall be their duty, to elect a president and five directors for said company ; and in electing such president and directors, and in enact- General meetings.
President and directors.

ing such by-laws, as may be necessary, each share of stock represented, either in person or by proxy, shall be entitled to one vote: *Provided*, If a majority of such stockholders shall not attend said first general meeting, such as do attend and are present may adjourn from time to time until a majority shall appear.

First general meeting.

SEC. 4. *Be it further enacted*, That it shall be the duty of said stockholders, at their first general meeting, to prescribe the manner and time in which payments of stock on the subscription books shall be made: *Provided*, Not more than one half of said subscription shall be called for in one year after said first general meeting.

SEC. 5. *Be it further enacted*, That it shall be the duty of the president and directors of said company to appoint a treasurer, who shall remain in office such length of time as the company in their by-laws shall determine; and said president and directors shall remain in office one year, and until others are chosen, and shall have a general direction and management of the affairs of said company, and shall appoint some suitable person as engineer, whose duty it shall be to make the necessary surveys for the location of said railroad, and furnish the president and directors with such survey or surveys, and estimates of the cost; said directors shall have power to fill any vacancy that may occur in their board, and in the absence of the president to elect one for the time; they shall also appoint a secretary, whose duty it shall be to keep a fair and correct record of the proceedings of said board, and of all the proceedings of the stockholders in general meeting, in a book to be provided for that purpose.

Vacancies.

Reports.

SEC. 6. *Be it further enacted*, That the president or board of directors shall, at least once a year, make a full report on the state of the company and its affairs to a general meeting of the stockholders, and oftener if required by any by-law of the company, and also [call] a general

meeting of the stockholders, whenever they deem it expedient; and the company may provide in their by-laws for occasional meetings being called, and prescribe the mode thereof.

SEC. 7. *Be it further enacted,* That all persons, the Justices of the County Court or the authorities of any incorporation, shall have full power and authority to subscribe to the capital stock of said company to the amount they shall be authorized to do by the inhabitants of said county or incorporated town, or the proper authorities of any corporation to the amount they shall be authorized to do by the inhabitants of said county or town; and they (may) issue bonds or other evidence of debt to enable them to borrow money to pay such subscription; the said subscription to be made by any agent or agents of such county, town or corporation properly authorized by them to make the same, when so made shall be binding on such county, company or corporate body in the same manner and to the same extent that it is on the individual subscribers, and such body corporate or company, or county, shall be represented in all general meeting of the stockholders.

Counties, &c., may
subscribe.

SEC. 8. *Be it further enacted,* That if the capital stock of said company, as authorized by this charter, be insufficient to carry out the purposes of the same, it may be increased by said company to one million two hundred and fifty thousand dollars.

Increase of stock.

SEC. 9. *Be it further enacted,* That said company may begin the construction of said road at any point on the line of location according to their discretion, and that for any portion of said road actually constructed the said company shall be entitled to all the privileges of this act into and over such part so constructed.

SEC. 10. *Be it further enacted*, That this act shall be in force from its ratification.

[*Ratified the 15th day of February, 1861.*]

The commissioners appointed in the above act met on April 3rd, 1861, and again on April 3rd, 1862, when they issued a call for the stockholders' meeting, which met April 16, 1862.

The following act was ratified 23d February, 1861 :

[This act repealed by Section 3 of the Ordinance of 1862, following:]

AN ACT SUPPLEMENTAL TO AN ACT PASSED AT THE PRESENT SESSION OF THE GENERAL ASSEMBLY, ENTITLED "AN ACT TO INCORPORATE THE CHATHAM RAILROAD COMPANY."

Public Treasurer
to issue bonds.

SECTION 1. *Be it enacted by the General Assembly of the State of North Carolina, and it is hereby enacted by the authority of the same*, That the Public Treasurer be, and he is hereby authorized and directed to sell the *coupon bonds* of the State, to an amount not exceeding two hundred thousand dollars, signed by the Governor, countersigned by the Public Treasurer, and sealed with the great seal of the State, bearing six per cent. interest, principal payable at the end of twenty years from the date thereof, and the coupons of interest payable semi-annually in such form as the Public Treasurer may direct, to be made payable at such time and place as may be agreed upon by the Public Treasurer, and that the Public Treasurer shall pay over the said sum of two hundred thousand dollars to the President and Directors of the Chatham Railroad Company, at such times and upon such conditions as are herein provided: *Provided*, Said bonds shall not be sold by the Public Treasurer for a less sum than their par value.

Conditions for the
issue of State
bonds.

SEC. 2. *Be it further enacted*, That before the Public Treasurer shall sell for said company any of the bonds

hereby authorized to be sold, the said Chatham Railroad Company shall deliver to the Public Treasurer the coupon bonds of said company, for the same amount and bearing the same interest and date, the principal and coupons payable at the same time and place as those of the State hereinbefore directed to be issued and paid over to the Chatham Railroad Company; and to secure the principal and interest of said bonds issued by the Chatham Railroad Company, the State of North Carolina shall by this act have a lien upon all the estate of said company, both real and personal, which they may now have or hereafter acquire, which lien shall be more effectually secured by a mortgage duly executed by said company to this State, and registered in the register's office of the counties of Chatham and Wake; and for the better security of the payment of the interest upon said bonds, until the completion of said road, the company shall deposit with the Treasurer, good and sufficient bonds, made by individual stockholders or persons interested in said road, amounting to fifty thousand dollars, to secure the payment of the interest as aforesaid, which said bonds shall be payable to the Public Treasurer, and shall be deemed due and payable at any time prior to the completion of said road, if the said company shall fail to pay the interest on the bonds given in exchange for the bonds of the State, which bonds shall, upon the payment of the interest to the completion of said road, be surrendered by the Public Treasurer to said company.

SEC. 3. *Be it further enacted*, That the bonds of the State, hereby authorized to be sold for the Chatham Railroad Company, shall not be sold until an amount of stock sufficient to build said road shall have been subscribed and satisfactory assurance given to the Governor and Treasurer for the payment thereof, either in work or money, and a bond payable to the Treasurer in the sum of four hundred thousand dollars, with good and satisfactory security, shall have been delivered to the Treasurer, said

When bonds to be issued.

bond, however, to be void upon condition the said road shall be completed within four years from the date of the bonds of the State, hereby authorized to be exchanged.

SEC. 4. *Be it further enacted*, That this act shall be in force from and after the date of its ratification.

[*Ratified the 23d day of February, 1861.*]

The following ordinance of the Convention was ratified 30th January, 1862 :

AN ORDINANCE IN ADDITION TO AND AMENDMENT OF AN ACT OF THE GENERAL ASSEMBLY, RATIFIED THE 15TH DAY OF FEBRUARY, 1861, ENTITLED "AN ACT TO INCORPORATE THE CHATHAM RAILROAD COMPANY," AND TO REPEAL AN ACT SUPPLEMENTAL THERETO, RATIFIED THE 23RD DAY OF FEBRUARY, 1861.

SECTION 1. *Be it ordained by the Delegates of the People of North Carolina in Convention assembled, and it is hereby ordained by the authority of the same*, That section first of an act of the General Assembly ratified the fifteenth day of February, one thousand eight hundred and sixty-one, entitled "An act incorporating the Chatham Rail Road Company," be amended by inserting after the words, "from the Coalfields, in the county of Chatham, through said county," the words, "connect with the North Carolina Rail Road at," so as to make the section read, "to connect with the North Carolina Rail Road at Raleigh, or some point west of Raleigh not exceeding twelve miles."

SEC. 2. *Be it further ordained*, That the proviso in section four of said act of the General Assembly be stricken out.

SEC. 3. *Be it further ordained*, That an act of the General Assembly, ratified on the twenty-third day of Feb-

Amendment to section 1, act of February 15, 1861

Repeals sec. 4, act of Feb. 15, 1861.

Repeals act of Feb. 23, 1861.

ruary, one thousand eight hundred and sixty-one, entitled "An act supplemental to an act passed at the present session of the General Assembly, entitled "An act to incorporate the Chatham Rail Road Company," be, and the same is hereby repealed and abrogated.

SEC. 4. *Be it further ordained,* That all such solvent corporations as may or shall subscribe to the capital stock of the said Chatham Railroad Company, may make their bonds payable to the Public Treasurer of the State of North Carolina for the amount of their subscriptions to said capital stock, and no more; which said bonds are to be signed by the presidents, and under the seals respectively of said corporations, and made for any sums not under five hundred dollars each, to bear interest at the rate of six per cent. per annum, which interest is to be paid semi-annually, to-wit: the first Monday in January and July in each and every year; and the principal of said bonds to be made payable twenty years after date; and these bonds, so authorized to be made, may be deposited with the Public Treasurer of the State, who shall then issue and deliver to the several corporations so subscribing and depositing their bonds as aforesaid, the coupon bonds of the State of North Carolina, to the amount of their subscriptions respectively, and made for the sums of five hundred dollars and one thousand dollars, to bear interest at the rate of six per cent. per annum, which interest is to be paid semi-annually on the first Monday in January and July in each and every year, and the principal of said bonds to be made payable twenty years after date: *Provided,* That said bonds shall not exceed, in the aggregate, the sum of eight hundred thousand dollars; and *provided also,* that said Chatham Rail Road Company shall execute and deliver to the Governor of the State of North Carolina a deed of mortgage, under the seal of said company, wherein and whereby shall be conveyed to the Governor and his successors in office, for the use and benefit of the State, all the estate, both real and per-

Authorizes corporations to subscribe to capital stock.

sonal, belonging to said company, or in any manner pertaining to the same, conditioned for indemnifying and saving harmless the State of North Carolina from the payment of the whole or any part of the bonds of the State, authorized by this ordinance to be made by the Public Treasurer, and delivered to the several corporations subscribing as aforesaid to the capital stock of said Chatham Rail Road Company. In addition to the deed of mortgage hereinbefore required to be executed and delivered by the Chatham Rail Road Company, the State of North Carolina shall, by this ordinance, have a lien upon the estate, both real and personal, of said company, which they may now have, or may hereafter acquire, to secure the principal and interest of the bonds of this State authorized to be issued as aforesaid.

SEC. 5. *Be it further ordained*, That said bonds of the State, so made by the Public Treasurer, shall be received by the said Chatham Rail Road Company in payment of subscriptions made as aforesaid by such corporations to the capital stock of said Chatham Railroad Company.

SEC. 6. *Be it further ordained*, That said corporations so subscribing and depositing their bonds as aforesaid with the Treasurer of the State shall be allowed to redeem their bonds at any time before maturity, in the currency of the State, on giving thirty days' notice to the Treasurer of this State of their intention so to do.

Fight to redeem
bonds.

SEC. 7. *Be it further ordained*, That the said railroad may be constructed with termini at any point or points in the said Coalfields region that the stockholders in said company may agree upon with the approbation of the Board of Internal Improvements.

Termini in the
Coalfields.

SEC. 8. *Be it further ordained*, That the corporate authorities of incorporated towns subscribing to the capital stock of said Chatham Rail Road Company, in order to

provide for the payment of their subscriptions, and of the principal and interest of bonds for that purpose, by them issued, shall have authority to lay and collect taxes from all subjects, which, under the charters of said towns, are taxable.

SEC. 9. *Be it further ordained*, That the solvency of such corporations as may desire to subscribe to the capital stock of said Chatham Railroad Company shall be judged of by the Board of Internal Improvements.

SEC. 10. *Be it further ordained*, That all laws and parts of laws, all acts or parts of acts inconsistent with the provisions of this ordinance, are hereby repealed and abrogated.

[*Ratified the 30th day of January, 1862.*]

The following ordinance was ratified February 10th, 1862:

AN ORDINANCE SUPPLEMENTAL TO AN ORDINANCE, RATIFIED AT THE PRESENT SESSION OF THIS CONVENTION, ENTITLED "AN ORDINANCE IN ADDITION TO AND AMENDMENT OF AN ACT OF THE GENERAL ASSEMBLY, RATIFIED THE 15TH DAY OF FEBRUARY, 1861, ENTITLED "AN ACT TO INCORPORATE THE CHATHAM RAILROAD COMPANY AND TO REPEAL AN ACT SUPPLEMENTAL THERETO, RATIFIED THE 23RD OF FEBRUARY, 1861," AND AUTHORIZING CERTAIN PERSONS TO OPEN BOOKS OF SUBSCRIPTION TO THE CAPITAL STOCK OF SAID COMPANY.

SECTION 1. *Be it ordained by the Delegates of the People of North Carolina in Convention assembled, and it is hereby ordained by the authority of the same*, That an act of the General Assembly, entitled "An act to incorporate the Chatham Railroad Company," be amended by adding to section 2d the following: "And a majority of said general commissioners shall be competent to transact business; and in

Amending ordinance of 30th January, 1862.

the mean time it shall be lawful for books of subscription to said stock to be opened in the city of Raleigh, under the direction of Geo. W. Mordecai, William Henry Jones and Wm. W. Vass, or either of them; in the town of Newbern, under the direction of Ed. Stanley, A. T. Jerkins, W. H. Oliver, or any one of them; in the town of Goldsboro, under the direction of E. A. Thompson, Richard Washington, P. A. Wiley, or any one of them; at Pittsboro, under the direction of H. A. London, John H. Haughton, John A. Womack, or any one of them; at Haywood, under the direction of B. I. Howze, R. K. Smith and I. N. Clegg, or any one of them; at Warrenton, under the direction of J. B. Batchelor, Jno. White, Richard T. Arrington, or any one of them; at Hillsboro, under the direction of William A. Graham, Thos. Webb, P. B. Ruffin, or any one of them; at Smithfield, under the direction of J. W. B. Watson, Edwin Sanders, J. B. Beckwith, or any one of them; at Oxford, under the direction of S. S. Royster, C. H. K. Taylor, R. B. Gilliam, or any one of them; at Louisburg, under the direction of J. J. Davis, J. King, E. S. Hill, or any one of them; at Norfolk, under the direction of S. M. Wilson, Kader Biggs, Jas Gordon, or any one of them; and at Petersburg, under the direction of W. T. Joyner, R. K. Martin, and George D. Baskerville, or any one of them; and said general commissioners shall have power to appoint a chairman of their body, treasurer and all other officers their organization may require, and to sue for and recover all sums of money that ought under said act to be recovered by them in the name of said corporation.

[*Ratified the 10th day of February, 1862.*]

The first General meeting of Stockholders was held 16th April, 1862, when the Chatham Railroad Company was duly organized under the provisions and authority of the foregoing acts and ordinances.

The following act was ratified the 5th of February, 1863 :

AN ACT TO AMEND THE CHARTER OF THE CHATHAM RAILROAD COMPANY.

SECTION 1. *Be it enacted by the General Assembly of the State of North Carolina, and it is hereby enacted by the authority of the same,* That whenever it shall appear to the Governor of the State, by a certificate under the seal of the Chatham Railroad Company, signed by the Treasurer and countersigned by the President, that at least one mile of the road has been graded and prepared for the superstructure, the Governor shall be, and he is hereby authorized to subscribe on behalf of the State for stock in said company, to an amount equal to ten thousand dollars per mile for the part so graded, and a like sum shall be subscribed in like manner, whenever any additional number of miles of the road shall have been so graded, until its completion : *Provided,* That no State subscription shall be made for that portion of the said road beyond Lockville, until the grading shall be completed and ready for the superstructure from the North Carolina road to Lockville. State to subscribe \$10,000 per mile.

SEC. 2. *Be it further enacted,* That the number of said directors in said company shall be seven, of whom the Board of Internal Improvements shall appoint a number proportioned to the stock subscribed by the State ; the residue to be elected by the other stockholders, as prescribed in the charter of the company, and said directors shall, out of their number, choose the President of the said company. Directors.

SEC. 3. *Be it further enacted,* That the Public Treasurer shall pay such subscriptions by the sale of coupon bonds of the State, the principal of which is to be paid at the end of twenty years, and the interest semi-annually on State to issue bonds.

the first Monday in January and July in each and every year ; said bonds to be made for the sums of five hundred and one thousand dollars: *Provided*, That said bonds shall not be sold for less than their par value, *and further*, that said bonds shall not exceed in the aggregate two hundred and fifty thousand dollars.

Acceptance of
this act to repeal
sections 45, 46 and
49 of ordinance of
Convention.

§ SEC. 4. *Be it further enacted*, That inconsideration of the benefit conferred by this act, the Chatham Railroad Company shall, by accepting the same, be deemed to surrender so much of the privileges granted by sections 45, 46 and 49 of an ordinance of the Convention, entitled "an ordinance in addition to an amendment of an act of the General Assembly, ratified the 15th day of February, 1861, entitled "an act to incorporate the Chatham Railroad Company, and to repeal an act supplemental thereto, ratified the 23d February, 1861," as are conferred on corporations which may hereafter subscribe to the capital stock of said company.

R. & G. R. R. and
city of Raleigh.

SEC. 5. *Be it further enacted*, That all sums of money paid by the Raleigh and Gaston Railroad Company, and the city of Raleigh, to the Treasurer of the State, in satisfaction of the principal and interest of the bonds of said corporation, deposited with the Treasurer as contemplated in the said ordinance of the Convention, shall be applied, first, to the payment of the interest of the bonds of the State given said corporation in exchange for their own, and the residue shall be paid to the commissioners of the sinking fund to be used by them, at their discretion, for the redemption of said bonds of the State.

Termini in Coal-
fields.

SEC. 6. *Be it further enacted*, That the said railroad may be constructed with *termini* to any point or points in the Coalfields region, in the counties of Chatham and Moore, that the stockholders may agree upon, with the approbation of the Board of Internal Improvements.

SEC. 7. *Be it further enacted,* That when any lands or right of way may be required by said company for the purpose of constructing their road, and for want of agreement as to the value thereof, or from any other cause, the same cannot be purchased from the owner or owners, the same may be taken at a valuation to be made by five commissioners, or a majority of them, to be appointed by any court of record having common law jurisdiction in the county where some part of the lands or right of way is situate; in making the said valuation the said commissioners shall take into consideration the loss or damage which may accrue to the owner or owners in consequence of the land or right of way being surrendered, and the benefit or advantage he, she or they may receive from the erection or establishment of the railroad or works, and shall state particularly the value and amount of each, and the excess of loss or damage, over and above the advantage and benefit, shall form the measure of the valuation of said land or right of way: *Provided, nevertheless,* That if any person over whose land the road may pass, or the said company shall be dissatisfied with the valuation of said commissioners, then, and in that case, the person or corporation so dissatisfied may have an appeal to the superior court of the county where said valuation has been made, or in another county where the land lies, when it lies in more than one county, under the same rules, regulations and restrictions as in appeals from the justices of the peace; the proceedings of said commissioners, accompanied with a full description of the said land or right of way, shall be returned under the hands and seals of a majority of the commissioners to the court from which the commission issued, there to remain a matter of record; and the lands or right of way shall vest in said company so long as the same may be used for the purposes of said railroad as soon as the valuation may be paid, or when refused, may have been tendered, or if the owner cannot be found, as for good cause shown, the court where the commission issued shall direct the

Condemnation of
right of way.

same, as soon as said valuation shall be paid into the hands of the clerk of said court: *Provided*, That nothing herein contained shall hinder or delay the said company in prosecuting their work; *and provided, further*, that on application for the appointment of commissioners under this section, it shall be made to appear to the satisfaction of the court that at least ten days' notice has been given to the owner of the land, or if the owner be *non compos mentis*, or an infant, then to the guardian of such owner; or if such owner or guardian cannot be found within the county, then such appointment shall not be made, unless notice of the application shall have been personally served on such owner or owners as aforesaid, or published at least one month previous in some newspaper printed as conveniently as may be to the court house of the county, and shall have been posted at the court house door. Said commissioners shall make such valuation on oath, which any justice of the peace or clerk of a court of record is hereby authorized to administer.

SEC. 8. *Be it further enacted*, That the right of said company to condemn land shall extend to the condemning, if they deem it advisable, of one hundred feet on each side of the centre of the track, unless in case of deep cuts and fillings, when said company shall have power to condemn so much in addition thereto as may be necessary for the purpose of constructing this road; and the company shall have power to condemn and appropriate in like manner lands for constructing and building depots, shops, ware-houses, buildings for servants, agents and officers employed on the road.

SEC. 9. *Be it further enacted*, That in the absence of any contract or contracts with said company in relation to land through which the said road may pass, it shall be presumed that the land on which said road may be constructed, together with one hundred feet on each side of the centre of the track, has been granted to the company by the owner, and the said company shall have

100 feet on each side of track to be condemned.

Lapse of two years' presumption of condemnation.

good title and right thereto, and shall hold and enjoy the same as long as the same may be used for the purposes of the company, unless said owner, at the time of finishing the part of the road on his land, shall apply for the assessment of the value of the land within two years next after the finishing of such portion of the road; and said owner, for the want of such application within said two years, shall be barred from said recovery: *Provided*, That nothing herein contained shall authorize said company to invade any dwelling-house, yard, garden or burial-ground, without the owner's consent; nor shall the right of *femes covert*, infants, or those *non compos mentis*, be affected until two years after the removal of their respective disabilities.

SEC. 10. *Be it further enacted*, That the gauge of said Gauge. road shall be the North Carolina gauge.

SEC. 11. *Be it further enacted*, That this act shall be in force from and after its ratification.

[*Ratified the 5th day of February, 1863.*]

The amendments contained in the above act of February 5th, 1863, were accepted at a Special Stockholders' meeting held the 3d of March, 1863.

The Annual Stockholders' meetings were held 16th April, 1863, 3d March, 1864, and 2d March, 1865. At a Special Stockholders' meeting held 1st February, 1866, the capital stock was scaled by dividing the number of shares by $4\frac{1}{2}$.

The next Annual Stockholders' meeting was held 1st March, 1866, and no quorum being present, it was adjourned over and held 20th July, 1866. A meeting of Private Stockholders was held the same day. The Annual Stockholders' meeting was held 15th and 16th July, 1867.

The following ordinance of the Convention was ratified 11th March, 1868:

AN ORDINANCE TO AMEND THE CHARTER OF THE CHATHAM RAILROAD COMPANY.

Public Treasurer to issue bonds.

SECTION 1. *Be it ordained by the people of North Carolina in Convention assembled,* That to enable the Chatham Railroad Company to finish its road, the Public Treasurer is hereby authorized and directed to deliver to the President and Directors of the said Railroad Company, the coupon bonds of the State, to an amount not exceeding twelve hundred thousand dollars (1,200,000), signed by the Governor, countersigned by the Public Treasurer and sealed with the Great Seal of the State, bearing six per cent. interest, the principal payable at the end of thirty years from the date thereof, and the coupons of interest payable semi-annually, in such form as the Public Treasurer may direct, to be made payable at such time and place as may be agreed upon by the Public Treasurer.

Company to deposit its bonds with the public treasurer.

SEC. 2. *Be it further ordained,* That before the Public Treasurer shall deliver any of said bonds hereby authorized, the said Chatham Railroad Company shall deposit with the Public Treasurer the coupon bonds of said Company for the same amount and bearing the same interest and date, the principal and coupons payable at the same time and place as those of the State hereinbefore directed to be issued and paid over to the Chatham Railroad Company, and to secure the principal and interest of said bonds issued by the Chatham Railroad Company, the State of North Carolina shall by this ordinance have a lien upon all the estate of said company, both real and personal, which they may now have or may hereafter acquire, between the city of Raleigh and the Gulf, the terminus of said railroad, in the Coalfields, including that at both points, together with all the rights, franchises and powers thereunto belonging, or appertaining, or that may hereafter belong or appertain to said company,

which lien shall be more effectually secured by a first mortgage duly executed by said company to the State, and registered in the Register's office of the counties of Wake and Chatham, and in case of failure of said company to pay the semi-annual interest on its bonds for twenty-four months after such interest shall become due, or to pay the principal of said bonds for twelve months after their maturity, the Board of Internal Improvements for and in behalf of the State may enter upon and take possession of all the property hereinbefore specified, and dispose of the same by sale so as to protect the State.

Lien by the State.

SEC. 3. *Be it further ordained*, That the Chatham Railroad Company may at any time before maturity take up the bonds of said Company, deposited with the Public Treasurer, by substituting in lieu thereof coupon bonds of the State or other indebtedness of the State.

May take up bonds.

SEC. 4. *Be it further ordained*, That the State shall have the privilege at any time within eight years from the passage of this ordinance to subscribe stock in said company to the amount of six hundred thousand dollars (\$600,000) in shares of one hundred (\$100) dollars each, and upon certificate of stock being issued to the State by said company for the same, to surrender the bonds of said company which had previously been delivered to the State under the provisions of this ordinance.

Privilege reserved to the State.

SEC. 5. *Be it further ordained*, That this ordinance shall take effect and be in force from and after its passage.

[*Ratified this 11th day of March, 1868.*]

The above ordinance of the Convention was accepted by a special stockholders' meeting held 4th April, 1868. The annual stockholders' meeting was held 20th July, 1868.

The following act was ratified 3rd August, 1868 :

AN ACT TO EXTEND THE CHATHAM RAILROAD.

Road may be extended.

SECTION 1. *The General Assembly of the State of North Carolina do enact*, That the Chatham Railroad Company is hereby authorized to extend its road from the graded terminus, at or near Haw River, to the South Carolina State line, near Cheraw, the most approved route to be determined by the President and Directors of said road : *Provided*, That the privilege shall not be construed to relieve said company from the obligation to build their road to the Gulf in Chatham county.

Proviso.

Not to expend any money until certain conditions are complied with

SEC. 2. The Chatham Railroad Company shall not expend any money on that portion of the line south of the intersection with the Western Railroad, except for the survey and location of the same, until that portion of the line between its junction with the North Carolina Railroad and its intersection with the Western Railroad is completed and in operation with sufficient rolling stock and suitable depot, freight and engineer buildings and machine shops, nor until the obligation expressed in proviso in section 1 of this act shall have been fully discharged.

When act to take effect.

SEC. 3. This act shall go into effect and become a part of the charter of the Chatham Railroad Company as soon as accepted by a majority of the Stockholders of said company, at any regular or called meeting thereof, and such acceptance shall be certified to the Governor of the State by the President of the company and the seal of the corporation.

[*Ratified the 3rd day of August, 1868.*]

The following act was ratified 15th August, 1868:

AN ACT TO AMEND THE CHARTER OF THE CHATHAM RAILROAD COMPANY.

SECTION 1. *The General Assembly of North Carolina do enact*, That to enable the Chatham Railroad Company to finish their road, the Public Treasurer is hereby authorized and directed to deliver to the President of the said Railroad Company the coupon bonds of the State, of one thousand dollars (\$1,000) each, to an amount not exceeding two million dollars, (\$2,000,000) signed by the Governor, countersigned by the Public Treasurer, and sealed with the Great Seal of the State, bearing six per cent. interest, the principal payable at the end of thirty years from the date thereof, and the coupons of interest payable semi-annually, in such form as the Public Treasurer may direct, principal and interest payable at such time and place as he may prescribe.

Public Treasurer authorized to deliver to President of Chatham Railroad Company two millions of coupon bonds of the State bearing six per cent. payable in thirty years.

SEC. 2. Before the Public Treasurer shall deliver any of said bonds hereby authorized, the President of said Chatham Railroad Company shall deposit with the Public Treasurer, the coupon bonds of the company, signed by him and sealed with the company's seal for the same amount, and bearing the same interest and date. The principal and coupons, payable at the same time and place, as those of the State, hereinbefore directed to be issued and paid over to the said company, and to secure the principal and interest of said bonds, issued by the company, the State of North Carolina shall have by this Act, a lien upon all the estate of the same, real or personal, which they may now have or may hereafter acquire, between the point of intersection with the Western Railroad and the South Carolina State line, including that at both points, together with all the rights, franchises and powers thereunto belonging, or that may hereafter belong to said company, in respect of that portion of their line, which

President of the company to deposit a like amount of bonds of the company with Public Treasurer.

State to have a lien on property on part of railroad.

Mortgage to be executed by company to State.

lien shall be more effectually secured by a first mortgage, duly executed by said company to the State, and registered in the Register's office of the County of Wake, and in the office of the Secretary of State, and in case of the failure of said company to pay the semi-annual interest on their bonds for twenty-four months after such interest shall become due, or to pay the principal of said bonds for twelve months after their maturity, the Board of Internal Improvements, for and in behalf of the State, may enter upon and take possession of all the property hereinbefore specified and dispose of the same by sale, so as to protect the State.

Mortgage may be foreclosed.

Company may discharge its bonds by substituting coupon bonds or other indebtedness of State or currency.

SEC. 3. The Chatham Railroad Company may at any time, before maturity, discharge the bonds of said company, deposited with the Public Treasurer, by substituting in lieu thereof coupon bonds of the State, or other indebtedness of the State, or payment in national currency.

Any Railroad Company may purchase stock, lend money, or purchase bonds of any other company.

SEC. 4. That any railroad company within this State shall be at liberty to take or purchase stock in, or lend money to, or purchase bonds of this or any other railroad company in this or any adjoining State.

When act to be in force,

SEC. 5. This Act shall be in force from and after its ratification.

[*Ratified the 15th day of August, 1868.*]

A Special meeting of Stockholders held 4th of September, 1868, accepted the above acts of 3d of August, 1868, and 15th of August, 1868.

The following act, approved 21st September, 1868, was passed at a General Assembly of the State of South Carolina, begun to be holden at Columbia on the first Monday in July in the year of our Lord, one thousand eight hundred and sixty eight, and thence continued by divers

adjournments to the seventeenth day of September in the same year :

AN ACT TO ENABLE THE CHATHAM RAILROAD COMPANY TO
EXTEND THEIR ROAD TO COLUMBIA.

SECTION 1. *Be it enacted by the Senate and House of Representatives of the State of South Carolina now met and sitting in General Assembly, and by the authority of the same,* That the Chatham Railroad Company, a corporation created by the laws of the State of North Carolina, be and the same is hereby declared and constituted a body politic and corporate by the said name under the laws of this State, with the general rights, powers and privileges usually incident to such corporations.

Incorporating
Chatham Rail-
road Company.

SEC. 2. That the Chatham Railroad Company shall have power to extend their road, with one or more tracks, from the point where their road shall reach the dividing line between the States of North and South Carolina, through or near the corporate limits of the towns of Cheraw and Camden to the city of Columbia, by a route to be selected by the said company, and shall have the privilege of using any portion of their road before the whole is complete.

Termini and
route.

SEC. 3. That the company hereby created shall have all the powers, rights and privileges granted by the charter and amendments thereto of the North Eastern Railroad Company, to that company, subject to the conditions therein contained, except in so far as the special provisions of this act may require the same to be modified, varied or abrogated.

Same powers,
rights and privi-
leges as the North
Eastern Railroad.

SEC. 4. Whenever, in the construction of said railroad it shall be necessary or desirable to cross or intersect any established road or way, it shall be the duty of the said company so to construct their railroad across such estab-

Crossing other
roads or ways.

lished road or way as not to impede the passage of persons or property along the same ; and in case it should become necessary or desirable to occupy any such established road or way, it shall be lawful for the said company to change such road or way at such points as may be deemed expedient by the company, and that for entering upon and taking any land that may be necessary therefor, the said company is hereby vested with the same powers as are given for the entering upon and taking any land which may be necessary for the construction of the said railroad : *Provided*, That previous to the making of any such change, the said company shall make and prepare for travel a road equally good with the portion of the road so occupied, but nothing herein contained shall be so construed as to require the company to keep in repair any portion of any road which may have been changed as aforesaid.

Proviso.

Power to condemn right of way.

SEC. 5. The said company by its officers, agents and employes, shall have full power to enter upon all lands and tenements through or over which they may desire to construct the said railroad, and to lay out the same according to their pleasure, so that the dwelling house, yard, garden, or grave-yard of no person be invaded without his consent, and in like manner shall have power to enter upon and lay out such contiguous lands as they may desire to occupy as sites for depots, toll-houses, warehouses, engine sheds, work shops, water stations, and other buildings for the necessary accommodation of their officers, agents and employes, their horses and other animals, and for the protection of property entrusted to their care : *Provided, however*, That the land so laid out on the line of said railroad shall not exceed, except at deep cuts and fillings, one hundred feet on each side of the centre of the tracks of said road ; and at such deep cuts and fillings, shall not exceed a width sufficient for the construction of the banks, and deposits of waste earth, and the adjoining lands for the sites of the depots and

Proviso.

Right of way not to exceed 100 feet.

other buildings shall not exceed ten acres in any one place, unless the company can agree with the owner for the purchase of the same. In case the said company shall, from any cause, be unable to obtain land or right of way, as aforesaid, by agreement with the owner or owners of the land, then the said company shall be authorized to take the same at a valuation to be fixed in the same way as is provided in the charter of the North Eastern Railroad Company, subject, however, to the provisions of an act entitled "An act to declare the manner by which the lands of persons or corporations may be taken for the construction and uses of railways and other works of internal improvements."

SEC. 6. The said company shall have the exclusive right of conveying and transporting persons and property over said railroad at such charges as may be established by a majority of the Board of Directors.

Exclusive right of transportation and to fix charges

SEC. 7. Suits shall be commenced against said company by service of process on the President, Superintendent or principal agents at Cheraw or Columbia, or at any other place in the State where they, or either of them, may be found.

Suits against company, how commenced.

SEC. 8. The said company shall have power to purchase, hold and convey land in this State to any amount not exceeding twenty thousand acres at any one time.

Power to purchase and convey land.

SEC. 9. That the railroad hereby authorized to be constructed shall be commenced within one year, and completed within five years from the ratification of this act, or this charter shall be forfeited.

To be commenced in one year and finished in five years.

SEC. 10. That this act shall be deemed and taken to be a public act, and shall continue in force for the term of ninety-nine years from its ratification, and shall in no wise be subject to the provisions of the forty-first section of an act

A public act.

entitled "An act to incorporate certain villages, societies and companies, and to renew and amend certain charters heretofore granted, and to establish the principles on which charters of incorporations will hereafter be granted," ratified the seventeenth day of December, A. D., one thousand eight hundred and forty-one. In the Senate and House the seventeenth day of September, A. D., one thousand eight hundred and sixty-eight.

[*Approved the 21st day of September, 1868.*]

The following act was ratified 18th of December, 1868 :

AN ACT TO RE-ENACT AND CONFIRM CERTAIN ACTS OF THE GENERAL ASSEMBLY, AUTHORIZING THE ISSUE OF STATE BONDS TO, AND FOR CERTAIN RAILROAD COMPANIES.

Preamble.

WHEREAS, Doubts have been raised as to the validity of bonds of the State issued to, and for certain railroad companies, under acts whose titles are hereinafter recited; and *Whereas*, it is the purpose of this General Assembly to place the validity of such bonds beyond question, now therefore,

Acts of August 17
and 19 re-enacted
and confirmed.

SECTION 1. *The General Assembly of North Carolina do enact*, That an act entitled "An Act to amend the charter of the Williamston and Tarboro Railroad Company," ratified the seventeenth day of August, A. D., eighteen hundred and sixty-eight, and an act entitled "An Act to amend the charter of the Western North Carolina Railroad Company," ratified the nineteenth day of August, A. D., eighteen hundred and sixty-eight, and all the provisions thereof be, and the same are hereby re-enacted, and in all things confirmed, and they are hereby constituted part of this act; and all bonds of the State heretofore made and issued to, and for the railroad companies, and for the purposes in said acts specified, and in pursuance of the same, are hereby ratified and made good to all intents

and purposes, as if issued under, and in pursuance of the provisions of this act.

SEC. 2. That on the surrender of any of the bonds heretofore issued under and by virtue of any one of said acts, the Treasurer is hereby authorized and required to issue and substitute new bonds of the State, of like tenor and date, executed in like manner, and in all respects similar, for such bonds so surrendered, except that such new and substituted bonds shall be issued and purport to be issued under and by virtue of this act, and the bonds so surrendered shall be burnt by the Treasurer in the presence of the Governor and Auditor, who shall cause to be made and sign a certificate, specifying the number and date of such bonds so burnt, and the acts under which the same were issued, and the Treasurer shall report such action and certificate to the General Assembly.

Treasurer required to issue new bonds.

SEC. 3. In order to provide for the payment of the interest that may from time to time accrue upon such bonds, so issued under said acts, and the bonds to be issued and so substituted under this act, there shall be annually levied and collected a special tax of one-thirtieth of one per cent. on the taxable property of the State, to pay the interest that has accrued, and may, from time to time, accrue on the bonds so issued, and so to be issued, to and for the said Williamston and Tarboro Railroad Company, and a like special tax shall be annually levied and collected of one twentieth of one per cent. on all taxable property of the State, to pay the interest that has accrued and may from time to time accrue on the bonds so issued, and so to be issued to, and for, and on account of the said Western North Carolina Railroad Company.

A tax of one thirtieth of one per cent. to be levied annually to pay interest.

A special tax to be annually levied of one thirtieth of one per cent. to pay interest.

SEC. 4. The Public Treasurer is hereby directed, whenever the President of the Chatham Railroad Company shall certify that the grading of the road between Cheraw,

Public Treasurer directed to subscribe \$2,000,000, payable in thirty years.

in South Carolina, and the Gulf, or some other point on the Chatham Railroad, between Raleigh and the Gulf, has been let to contract, to subscribe to the capital stock of said company two million dollars in behalf of the State, which subscription shall be paid by delivering to the President of said company coupon bonds of the State, at par, of the denomination of one thousand dollars, dated October first, eighteen hundred and sixty-eight, and payable in thirty years thereafter, bearing six per cent. interest, payable semi-annually, principal and interest payable in the City of New York, said bonds to be signed by the Governor, countersigned by the Treasurer, and sealed with the Great Seal of the State, and issued under the provisions of chapter ninety, Revised Code: *Provided*, That said bonds shall only be issued on the surrender of a like amount of bonds of the State, heretofore issued under "An Act to amend the charter of the Chatham Railroad Company," ratified fifteenth of August, eighteen hundred and sixty-eight. On which surrender the same amount of bonds delivered by said company to the State under the said act shall be cancelled. Said subscription shall be preferred stock, and pay a dividend of six per cent. before any dividend shall be declared on the other stock.

Bonds, how issued.

Interest provided for on Chatham Railroad bonds.

SEC. 5. In order to provide for the payment of the interest which may accrue on the bonds issued as above mentioned, there is hereby, and shall be annually, levied and collected, a special tax of one-twentieth of one per cent. on the taxable property of the State, collectable and payable into the Treasury as other public taxes.

Officers, by whom elected.

SEC. 6. In all meetings of stockholders of said company the State shall, for and in behalf of its stock, be entitled to a vote equal to one-third of that cast by individual stockholders, and all the officers of said company shall be elected by the stockholders as heretofore.

Stock increased.

SEC. 7. The capital stock of said Chatham Railroad

Company is hereby increased to three million two hundred thousand dollars.

SEC. 8. This Act shall be in force from its ratification.
[Ratified the 18th day of December, A. D., 1868.]

A Special meeting of Stockholders held 19th of January, 1869, accepted the above act of September 21st, 1868, passed by the Legislature of South Carolina, and the act of 18th December, 1868, passed by the North Carolina Legislature.

The following act was ratified 10th of April, 1869 :

AN ACT TO ENABLE THE CHATHAM RAILROAD COMPANY TO COMPLETE ITS ROAD.

SECTION 1. *The General Assembly of North Carolina do enact*, That for the purpose of supplying funds to enable the Chatham Railroad Company to complete and equip its road, the said company shall have power to borrow money by the issue of bonds or other evidences of debt, authenticated in such manner as the President and Directors of said company may deem best, in sums not less than five hundred dollars, at a rate of interest not exceeding eight per cent., principal and interest payable at such time and place as said President and Directors may select, the bonds so issued not to exceed two millions of dollars.

Power to borrow money and issue bonds.

Rate of interest.

SEC. 2. To secure the payment of these bonds and other evidences of debt issued as aforesaid, and the interest thereon, the said Chatham Railroad Company may execute and deliver mortgage deeds or deeds in trust, signed by the President and countersigned by the Secretary of said company, conveying its franchise and property, including its road-bed, superstructure, choses in action, and real and personal estate of whatever kind, to the

Execute mortgage

holder of said bonds, or to such parties as said President and Directors may select in trust for them, and the deeds so executed and registered in the county of Wake shall have priority over any lien or other claim held by this State, on the subject matter so conveyed, it being the intent and meaning of this act that the State shall be in the position and have the rights of a second mortgage, subordinate to the liens created by the mortgage or trust deeds aforesaid; that before the said Chatham Railroad Company shall make or sell any portion of the first mortgage bonds authorized by sections one and two of this act they shall deliver to the Public Treasurer a second mortgage upon all their estate, both real and personal, which they may now have, or may hereafter acquire, between the city of Raleigh and the terminus of said railroad to the South Carolina line at or near Cheraw, S. C., said second mortgage bonds to be in all other respects the same as the first mortgage bonds now held by the State, bearing the same interest and payable in the same manner; and the president of the said Chatham Railroad Company shall also deposit with the Public Treasurer the sum of one hundred and forty-four thousand dollars of first mortgage bonds, to be applied to the payment of the interest on the second mortgage bonds.

Second mortgage.

Treasurer to deposit.

County may subscribe.

SEC. 3. Any county along the line of the said Chatham Railroad may subscribe to the capital stock of the company to such an amount as the majority of the commissioners of said county may determine, subject to the approval of a majority of the qualified voters of the county; And said commissioners, in order to pay the said subscription, shall have power to issue bonds or other evidences of debt at a rate of interest not to exceed eight per cent. per annum; said bonds to be issued in such manner and form, payable at such time and place, and authenticated in such manner as they may determine.

SEC. 4. In order to pay the principal and interest of the bonds issued as aforesaid, the commissioners of the county subscribing as above mentioned shall levy and collect annually in such manner as is directed by law in case of taxes for other county purposes a tax sufficient to pay the annual interest, and they may levy and collect a further tax to be used in extinguishment of the principal, or else to be invested as a sinking fund for the ultimate redemption of the principal.

Special county tax to pay interest.

SEC. 5. No subscription shall be made by the commissioners of any county as above mentioned until the question of approval or disapproval of such subscription, the issue of bonds or other evidence of debt, and the authority to levy taxes to pay the interest and provide for payment of the principal of the bonds shall be submitted to the qualified voters of the county, and shall be approved by a majority of those voting. The election shall be held at the usual places of voting. Thirty days' notice shall be given by advertisement in at least two newspapers published in the county, if there be any, at the court house door and at each of said election precincts. If there be no newspapers published in the county, then the advertisement shall be published in some newspaper having, in the opinion of the commissioners, the widest circulation in the county. The advertisement shall contain a copy of this act, as well as the amount proposed to be subscribed by the commissioners and the amount of bonds or other evidences of debt proposed to be issued. Those approving the proposition shall deposit in the ballot-box ballots with the printed or written word "approved," those disapproving the same shall deposit ballots with written or printed words "not approved," and if a majority of said voters shall vote "approved," they shall be deemed to ratify and approve the subscription and debt proposed to be made and the tax proposed to be levied.

No subscriptions made till question submitted.

Publication to be made.

SEC. 6. The commissioners of any county proposing to subscribe for stock as aforesaid, shall have authority to

Commissioners to take measures.

take all measures consistent with this act and the laws of the State for registration of voters, holding the election and returns of the result of the same and if said subscription be approved they shall have power to take all measures proper for carrying the same into effect.

Receive subscrip-
tions.

SEC. 7. The Chatham Railroad Company shall have power to receive subscriptions to its capital stock, payable in real or personal property at such valuation as may be agreed on between the company and the subscriber. It shall not be necessary for the wife to join her husband in the conveyance of any right of way or other interest in real estate of the husband, for any purpose, to said company, in order to pass her right of dower, or other marital right therein.

Securities and
mortgages.

SEC. 8. The said company shall have power to take all such securities and mortgages of real and personal estate, as it may deem proper to secure the faithful performance of contracts for the construction and repair of said road, and the buildings and other things incident thereto.

[*Ratified the 10th day of April, A. D. 1869.*]

At the Annual Stockholders' meeting held 19th July, 1869, the above act of April 10th, 1869, was accepted by the company. The next Annual Stockholders' meeting was held 18th July, 1870.

The following act was ratified 1st of April, 1871. Such parts of it are given as may affect the Chatham Railroad Company :

AN ACT TO INCORPORATE THE HAYWOOD AND CANE CREEK
RAILROAD COMPANY.

May lease fran-
chise.

SEC. 9. Said company shall have authority at any time after its organization to arrange with any other railroad company or corporation, by lease or otherwise, for the use of the franchise and property of the same, upon such

terms as may be agreed upon, and any such railroad or corporation shall have power to affect such arrangement.

SECTION 10. It shall be lawful for the said Haywood and Cane Creek Railroad Company to issue bonds or other evidences of debt, at a rate of interest not exceeding the maximum allowed by law and to secure the payment of principal and interest, by mortgage or otherwise, and it shall be lawful for any other corporation to guarantee the payment of any of the bonds or other evidences of debt so issued. But it shall not be lawful for the Chatham Railroad Company to discriminate in its freight or passenger tariffs against that portion of its road west of the Junction with said Haywood and Cane Creek Railroad, in any manner to effect such discrimination, but that all rates of freight per mile in said road from Haywood east, shall be the same as that passing over the said road west of said Junction.

Issue bonds.

Discriminations in freight, &c.

SEC. 11. The Chatham Railroad Company shall have power to guarantee the bonds of said Haywood and Cane Creek Railroad Company or to exchange bonds with the same to an amount not exceeding sixty thousand dollars, taking a mortgage on the franchise property and effects said company to secure the principal and interest of the bonds so received by the said Chatham Railroad Company; and the said Chatham Railroad Company shall likewise have power to aid the building of a railroad from some point at or near Carthage to Asheboro; in like manner and at the same extent as it may, as above mentioned, aid the building of the Haywood and Cane Creek Railroad. The proviso of section one of an act entitled "an act to extend the Chatham Railroad," ratified third day of August, one thousand eight hundred and sixty-eight, and the second section of said act are hereby repealed, and all provisions requiring said Chatham Railroad Company to have the Gulf as a terminus in the Deep River region, are likewise repealed.

Exchange of bonds with Chatham Railroad, &c.

Repealing clause.

Conditions of
amendments to
charter of Chat-
ham Railroad Co.

SEC. 12. All amendments of the charter of the Chatham Railroad Company, made by this act, shall take effect only upon the condition that the said Chatham Railroad Company shall subscribe to the capital stock of the Haywood and Cane Creek Railroad Company the sum of one hundred and twenty-five thousand dollars, and pay the same into the treasury of the said Haywood and Cane Creek Railroad Company, to be applied as speedily as possible to the construction of said railroad: *And provided*, That as many as four directors of said Haywood and Cane Creek Railroad Company shall be citizens of Chatham county, and stockholders in said company.

SEC. 14. That this act shall be in force from its ratification.

[*Ratified the 1st day of April, A. D. 1871.*]

The Annual Stockholder's meeting was held 21st July, 1871.

The following act was ratified 13th December, 1871.

AN ACT CONCERNING THE CHATHAM RAILROAD, AMENDATORY OF CERTAIN ACTS AND AUTHORIZING A CHANGE OF NAME.

Change of name.

SECTION 1. *The General Assembly of North Carolina do enact*, That the Chatham Railroad Company shall hereafter be known by the corporate name of the "Raleigh and Augusta Air Line Railroad Company."

Extension of road

SEC. 2. That it shall be lawful for the said railroad company to change the line of its road as heretofore prescribed, so as to extend it from its present terminus or such point on the line of the same as it may deem advisable, to such point on the South Carolina line in the direction of Augusta, in the State of Georgia, as the said company may deem most eligible, and as much farther as may be authorized by the States of South Carolina and

Georgia, and to locate and construct such branch road or roads, not exceeding in length, from the line of said railroad as may be authorized from time to time by the stockholders, and in building and the use of such branch railroads the said company shall have all the rights, privileges and immunities granted to it by the act to incorporate the Chatham Railroad Company, and other acts amendatory and supplementary to the same and of this act.

Privilege of branch roads.

SEC. 3. If the capital stock of the said company now authorized shall be deemed insufficient for the purposes of this act it shall and may be lawful for the company in general meeting from time to time to increase the same by the addition of as many shares as they may deem requisite, and the board of directors, with the consent of a majority of the votes of all the stockholders in general meeting, may make such portion of the capital stock already authorized, or of any additions to the same, as they may deem advisable, a guaranteed or preferred stock, upon which guaranteed or preferred stock such interest or dividends may be guaranteed as the directors may deem advisable; and the directors may, with the consent of a majority of the votes of all the stockholders in general meeting, secure such guaranteed interest or dividends by liens or mortgages upon all the property and franchise and income of the company, or upon any portion thereof, and the directors may, in their discretion, authorize subscriptions to be received for such additional stock, (either common or guaranteed, or both,) at such prices and in such manner as may be prescribed by them, and may sell the same or any part thereof for the benefit of the company: *Provided*, That the entire capital stock so created shall not exceed five millions of dollars And the said board of directors, with the consent of a majority of the votes of all the stockholders, shall have power to borrow money for the purposes of the railroad authorized by this act; and for loans made by them to issue bonds

Insufficient funds to be increased by additional shares.

Mortgage upon property authorized.

Prov. so,

with or without the privilege of conversion into stock in such amounts, and payable at such times and places, and at such rates of interest, as they may determine, and to pledge the property and franchises and income of the company, or any portion thereof, by mortgage or otherwise for the payment of the principal of the same and the interest that may accrue thereon.

Companies of different roads can subscribe to or purchase stock.

SEC. 4. Authority is hereby given to the Raleigh and Gaston Railroad Company, or any other railroad company connecting therewith, to subscribe to or purchase stock of any kind of the said Raleigh and Augusta Air-Line Railroad Company, and in order to enable them to make such subscription or purchase, it shall be lawful for any such company to issue mortgage bonds for such amount and of such form, and of such rate of interest as it may deem advisable; and it shall be lawful for any such company to purchase or endorse the mortgage bonds of the Raleigh and Augusta Air-Line Railroad Company.

Mortgage bonds to be issued.

Bonds to be discharged by Public Treasurer.

SEC. 5. The said Raleigh and Augusta Air-Line Railroad Company may, at any time hereafter, discharge the bonds of Chatham Railroad Company, deposited with the Public Treasurer, in the same manner and not otherwise as the said Chatham Railroad Company is now authorized by law to do, and the Public Treasurer is hereby directed to return to the said Raleigh and Augusta Air-Line Railroad Company the said bonds of said Chatham Railroad Company on payment in the manner above prescribed, until the whole amount of said bonds of the Chatham Railroad Company, held by the state, shall have been surrendered.

Conflicting acts repealed.

SEC. 6. All acts and parts of acts heretofore passed, inconsistent with this act, are hereby repealed.

When act to be in force.

SEC. 7. This act shall be in force from and after its ratification.

[Ratified the 13th day of December, A. D. 1871.]

Special meeting of Stockholders held 9th January, 1872, accepted above act. Annual meeting was held 19th July, 1872, and an Adjourned meeting was held 4th October, 1872.

Regular Annual Stockholders' meeting was held 18th July, 1873.

The following act amendatory of the act of April 1st, 1871, to incorporate the Haywood and Cane Creek Railroad was ratified 7th February, 1874. So much of it is given as has a bearing on the Raleigh and Augusta Railroad :

AN ACT TO AMEND AN ACT TO INCORPORATE THE HAYWOOD AND CANE CREEK RAILROAD COMPANY.

SECTION 1. *The General Assembly of North Carolina do* Amendments.
enact, That an act to incorporate the Haywood and Cane Creek Railroad Company, ratified the first day of April, Anno Domini one thousand eight hundred and seventy-one, be amended as follows, to-wit: Amend section one so that it shall read as follows: * * * * *
* * * * *

SEC. 2. That section second of said act be amended so as to read as follows: * * * * *
* * * * *

SECTION 3. In section five, after the word "railroad," Amendment to section 5.
in line nine, insert "and turnpike or turnpikes." In section six, first line, strike out "or" and insert "and." In sections eight and ten, strike out "Haywood and Cane Creek Railroad Company," and insert "Chatham Railroad and Turnpike Company." In section ten, strike out all after the word "issued," in line seven. In section thirteen, lines two and three, after word "road," insert "or turnpike or turnpikes." Strike out 11 and 12.

[Ratified the 7th day of February, A. D. 1874.]

Annual Stockholders' meeting was held 17th July, 1874.

The following act, ratified 22d March, 1875, was better known in the controversies of the times as "House bill 422," is given as bearing on the right of the Raleigh and Augusta Air-Line Railroad to pay off its indebtedness to the State by provisions of the ordinance of March 11th, 1868:

AN ACT EXPLANATORY OF CERTAIN ACTS AND TO ENABLE PARTIES HOLDING BONDS OF THE STATE ISSUED FOR INTERNAL IMPROVEMENTS UNDER ACTS PASSED PRIOR TO THE WAR, TO SELL THE SAME.

Preamble.

WHEREAS, Under an ordinance of Convention, ratified March eleventh, one thousand eight hundred and sixty-eight, and an act of Assembly, ratified the thirteenth of December, one thousand eight hundred and seventy-one, the Raleigh and Augusta Air-Line Railroad Company is authorized to pay off \$1,200,000 of its second mortgage bonds held by the State Treasurer with any bonds or other indebtedness of the State; *and whereas*, the Public Treasurer expresses a doubt whether under the construction of said act he is authorized to receive bonds issued during the war for internal improvement purposes, but under acts passed prior to the war; *and whereas*, *further*, said bonds were issued to and are now held almost exclusively by citizens of this State, and the same have been recognized as valid by the authorities of the State; now, therefore,

Intent and meaning declared.

SECTION 1. *The General Assembly of North Carolina do enact*, That it was the true intent and meaning of the ordinance and act above referred to, to authorize and empower the Public Treasurer to receive any of the aforesaid internal improvement bonds in execution of the provisions of said act and ordinance.

Public Treasurer:

SEC. 2. The Public Treasurer be and he is hereby authorized, empowered and directed to receive any of the internal improvement bonds for the State of North Car-

olina hereinbefore described, which may hereafter be tendered under the provisions of said act and ordinance in execution of the same.

SEC. 3. This act shall be in force on and after its ratification.

[Ratified the 22d day of March, 1875.]

Annual Stockholders' meetings were held 16th July, 1875, and 24th July, 1876. A Special meeting of Stockholders' was held April 6th, 1877, which ordered execution of mortgage to secure \$1,000,000 guaranteed stock held by the Raleigh and Gaston Railroad Company.

The following agreement was signed 25th Nov., 1862:

ARTICLES OF AGREEMENT AND COVENANT BETWEEN THE NORTH CAROLINA RAILROAD COMPANY, OF THE ONE PART AND THE CHATHAM RAILROAD COMPANY, OF THE OTHER PART, MADE AND ENTERED INTO AFTER CONFERENCE AND DELIBERATION, IN CONSIDERATION OF MUTUAL BENEFIT AND ADVANTAGE TO BE DERIVED THEREFROM.

1. The Chatham Railroad Company agrees and covenants with the North Carolina Railroad Company that their road from the Coalfields to Raleigh, shall run from the southwestern terminus to the North Carolina Railroad at or near a place called Cary, (sometimes called "Page's,") about eight miles westward of the City of Raleigh, and from thence to the depot of the North Carolina Railroad Company at Raleigh, or to some point near thereto in the manner hereinafter set forth.

Track to be from Cary to Raleigh.

2. The North Carolina Railroad Company agrees to permit and allow the Chatham Railroad Company to continue their road across the said North Carolina Railroad, at or near Cary, and thence down and along the Northern side of the North Carolina Railroad, and upon

Chatham R. R. to have right cross N. C. R. R. at Cary.

the land heretofore set apart for the same, to such point near the depot at Raleigh as aforesaid; and for this purpose do agree to allow, and do hereby permit the said Chatham Railroad Company for the better establishing and repairing their Roadbed, the right to take and use any material, either of dirt or stone, which may be on either side of the North Carolina Railroad, between Carey and Raleigh, and situate on the lands of the company: *Provided*, The removal of such material shall not impair the stability, safety or convenience of the North Carolina Railroad.

Right to take material, dirt, stone, &c.

Proviso.

Chatbam Railroad obligates to build track from Raleigh to Cary.

Culverts.

Proviso.

3. The Chatham Railroad Company do hereby covenant with the North Carolina Railroad Company that they will establish their Road along said route from Cary towards Raleigh; that they will extend through their Roadbed, all the culverts now established, where such extension may be necessary or required by the North Carolina Railroad Company, and also all other culverts which may be hereafter established for that road, along such part thereof as may lie by the side of said Chatham Railroad bed; that the culverts so extended shall be at least as large as those already built, and on the same level, and if by reason of the additional length of any extended culvert the added part ought to be larger than the original, in order to allow of the free and speedy passage of the water, the same shall be duly and properly enlarged; *and provided, further*, that nothing in this or any other article shall be so construed as to prohibit the North Carolina Railroad Company from taking and using any material of earth, wood or stone, which may be on the north side of the Chatham Railroad, the taking whereof shall not impair the stability, safety or necessary convenience of the Chatham Railroad Company.

Chatbam R. R. track to be 8 feet from N. C. R. R. track.

4. The Chatham Railroad Company do further covenant that the rail line of their road nearest the North Carolina Railroad shall not be nearer than eight feet to

the nearest rail line of the North Carolina Railroad, and that, wherever the same may be needed, a good and sufficient drain shall be opened by the said Chatham Railroad Company between the two roads, which, after being so opened and established, shall thereafter be kept open at the joint expense of the two companies.

5. The Chatham Railroad Company do covenant that they will establish at Cary a commodious depot, sufficiently large for the deposit of coal and iron which may be brought on the said Chatham Railroad, to be carried thence forward on the North Carolina Railroad, and that said depot shall be located conveniently for such transportation. And moreover, that they will by means of suitable switches, established at Cary and at Raleigh, where the Chatham Railroad shall diverge from the North Carolina Railroad, so connect the two roads together that loaded cars may pass from said Chatham Railroad to and upon and along the North Carolina Railroad.

Chattham R. R. to construct depot at Cary, convenient to N. C. R. R. Co.

Switches.

6. The Chatham Railroad Company do further covenant that where in consequence of widening an embankment for the additional Roadbed, a drain between the Roads shall become necessary, the space between them shall be made compact and firm, so that the earth shall not be caused to settle, by reason of the reception or flow of water in and along such drain.

Drains.

And it is mutually stipulated and covenanted each of said companies with the other, as follows: While said roadbed is building neither company shall hinder, obstruct or delay the business of the other, nor at any time thereafter shall this be done unless the same be unavoidable.

Covenant against hindrances by either company.

Neither of said companies shall at any time take or use any dirt, or stone, or other material, from any part of the land adjacent or near to the roadbeds whereby shall be

impaired the stability, safety or convenience of the other company, although but for such impairing it would be lawful to do so.

Engines and cars
not to stand on
track at Cary.

Neither company shall allow their engines or cars to remain on the track where the roads cross each other, so as to impede, endanger or delay the passage of other engines or cars: *Provided, however,* That in all cases where there may be any meeting, or danger of the meeting, of the engines or trains of the two companies, those of the Chatham Company shall give precedence to the others and allow them first to pass, provided they are on time, by an adopted schedule previously communicated to said Chatham Railroad Company at least one week before. The

Precedence as to pre-
cedence of trains,

space between the two roads shall remain open and unoccupied, otherwise than by the ends of the ties, which shall be only of the proper length in order to allow needful drains and free passages of the cars and persons walking between them. Where an expense may be incurred by reason of the passing of County Roads over said tracks, each company shall bear the expense incident to their several tracks, and all expense incurred by reason of the intermediate space shall in such case of the passing of County Roads, be borne equally by each company.

Space between
tracks to be open.

Bridges, &c.

Wherever the North Carolina Railroad Company is now bound to maintain any bridge, or any part of any bridge, erected across the road, the cost of any alteration thereof, made necessary by reason of the new track, shall be borne by the Chatham Railroad Company for the first alteration, and afterwards the charge of maintaining such bridge, or such part thereof, as may be devolved upon both companies, shall be equally and jointly borne by both companies. The intent and meaning of this covenant is, that whenever the two tracks shall be finished, each company shall control its own, as if the other was miles away, and if, for mutual convenience, they be worked together as a common double track, they shall

Each company to
control its own
track.

then be run upon a printed schedule, agreed upon and signed by the Superintendents of both, and published at least ten days before putting it in operation.

IN TESTIMONY WHEREOF, Thomas Webb, President of the North Carolina Railroad Company, and Kemp P. Battle, President of the Chatham Railroad Company, have signed the names of said companies, and caused the corporate seal of the same to be affixed, November 25th, 1862.

Signed { *North Carolina Railroad Company,*
By THOMAS WEBB, PRESIDENT.

Signed { *The Chatham Railroad Company,*
By KEMP P. BATTLE, PRESIDENT.

ATTESTED:

Signed { J. H. BRYAN, JR.
Sec'y., N. C. R. R. Co.

The following Ordinance of Convention was ratified 15th March, 1868:

AN ORDINANCE IN RELATION TO THE CAPE FEAR AND DEEP RIVER NAVIGATION WORKS.

WHEREAS, The Cape Fear and Deep River Navigation Works are in a ruinous condition and in their present condition utterly worthless to the State and highly injurious to the interests of the people residing in the valleys of said rivers; and whereas, it is expedient that said works shall be made available in developing the resources of said valleys:

SECTION 1. *Now therefore be it ordained by the people of North Carolina in Convention assembled,* That for the purpose of aiding the Chatham Railroad Company in [the] transportation of stone for building their bridges, culverts and other masonry and for the carriage of materials and supplies to points needed, the interest of the State of North Carolina in said Cape Fear and Deep River Navigation

Interest of the State in works transferred to Chatham R. R. Company.

gation Works from the Gulf Dam, on Deep river, to Northing Dam, on Cape Fear River, both exclusive, is hereby transferred to the said Chatham Railroad Company, with liberty to said company to repair, use and make avail of said portion of said works, and all franchises and privileges appurtenant thereto, to the same extent as is possessed by the State.

President and Directors have power of transfer and assignment.

SEC. 2. *Be it further ordained*, That the President and Directors of the Chatham Railroad Company shall have power to transfer and assign said interests herein conveyed and transferred, or any portion thereof, for the purpose of improving the valleys of said rivers.

SEC. 3. *Be it further ordained*, That this ordinance shall be in force from its passage.

[Ratified the 15th day of March, A. D., 1868.]

The following Act was ratified 1st of March, 1873:

AN ACT TO REGULATE MORTGAGES BY CORPORATIONS, AND SALES
UNDER THE SAME

Sales under deeds of trust.

SECTION 1. *The General Assembly of North Carolina do enact*, That if a sale be made under a deed of trust or mortgage, executed by any company on all its works and property, and there be a conveyance pursuant thereto, such sale and conveyance shall pass to the purchaser at the sale not only the works and property of the company as they were at the time of making the deed of trust or mortgage, but any works which the company may, after that time and before the sale, have constructed, and all other property of which it may be possessed at the time of the sale, other than debts due to it. Upon such conveyance to the purchaser, the said company shall, *ipso facto*, be dissolved, and the said purchaser shall forthwith be a corporation, by any name which may be set forth in the said conveyance, or in any writing signed by him

and recorded in the same manner in which the conveyance shall be recorded.

SEC. 2. The corporation created by or in consequence of such sale and conveyance shall succeed to all such franchises, rights and privileges, and perform all such duties as would have been had or should have been performed by the first company but for such sale and conveyance, save only that the corporation so created shall not be entitled to the debts due to the first company, and shall not be liable for any debts of, or claims against, the said first company which may not be expressly assumed in the contract of purchase; and that the whole profits of the business done by such corporations shall belong to the said purchaser and his assigns. His interest in the corporation shall be personal estate, and he or his assigns may create so many shares of stock therein as he or they may think proper, not exceeding together the amount of stock in the first company at the time of the sale, and assign the same in a book to be kept for that purpose. The said shares shall thereupon be on the footing of shares in joint stock companies generally, except only that the first meeting of the stockholders shall be held on such day and at such place as shall be fixed by the said purchaser, of which notice shall be published for two weeks in a newspaper.

Corporation created by sale shall succeed to rights. &c.

SEC. 3. When such corporation shall expire or be dissolved, or its corporate rights and privileges shall have ceased, all its works and property and debts due to it shall be subject to the payment of debts due by it, and then to distribution among the members according to their respective interests; and such corporation may sue and be sued as before for the purpose of collecting debts due to it prosecuting rights under previous contracts with it, and enforcing its liabilities and distributing the proceeds of its works, property and debts among those entitled thereto: *Provided*, That all debts and contract of any corporation

Expiration of corporation, &c.

Provided.

prior to or at the time of the execution of any mortgage or deed of trust by such corporation, shall have a first lien upon the property, rights and franchises of said corporation, and shall be paid off or secured before such mortgage or deed of trust shall be registered.

Extent of this act. SEC. 4. The provisions of this act shall not apply to any company in which the State of North Carolina has any interest.

When to be in force.

SEC. 5. This act shall be in force from and after its ratification.

[*Ratified the 1st day of March, 1873.*]

A CONDENSED HISTORY OF THE RALEIGH AND AUGUSTA AIR
LINE RAILROAD.

There is no evidence whether the act of 14th of February, 1855, was ever accepted or not. The commissioners appointed under the act of 15th of February, 1861, chartering the Chatham Railroad Company held their first meeting in Raleigh, April 3rd, 1861, at the office of S. H. Rogers. T. D. Hogg was elected President of the Board of Commissioners and K. P. Battle Secretary. The second meeting of commissioners was held in Raleigh on 2nd of April, 1862, when a meeting of stockholders was called and held at same place 16th of April, 1862. At this meeting of stockholders the company organized, adopted its by-laws and elected K. P. Battle President and five Directors. W. W. Vass was subsequently elected by the Board of Directors Secretary and Treasurer which position he has continuously held down to the present time. Mr. Battle served as President until his resignation 1st of February, 1866.

The Board of Directors at their meeting August 5, 1862, authorized a contract with N. C. Railroad in regard to right of way between Raleigh and Cary, a copy of which contract was read to the Board at their meeting 4th of No-

vember, 1862, and approved. A special stockholders' meeting held 3rd March, 1863, unanimously accepted the amendments to the charter.

At the second annual meeting of stockholders 16th of April 1863, the number of Directors was increased to seven who were to elect the president and the fiscal year was ordered to end 31st of December and annual meeting to be held first Thursday in March.

At a meeting of Directors on 11th of March 1865, the President was directed to subscribe \$25,000 to the capital stock of the Deep River Navigation Company. At same meeting it was reported that the N. C. Railroad had subscribed for 2,000 shares payable in Confederate bonds which was accepted.

A special meeting of stockholders was held 1st of February, 1866, to consider propriety of scaling the capital stock.

A committee appointed by the meeting consisting of K. P. Battle, Hon. Nat Boyden, W. H. Harrison, Dr, W. J. Hawkins and Robt. W. Lassiter reported that the value of the railroad and its property was \$200,000 and recommended that the stock be scaled by dividing by $4\frac{1}{2}$, the quotient to be the future amount of the present capital and the shares of each stockholder to be scaled in that proportion. The report of the committee was unanimously adopted with the exception of the vote upon the stock held by the city of Raleigh. At a directors' meeting held the same day, Hon. K. P. Battle resigned as President of the Company because of its incompatibility with his position as Public Treasurer and Gen. W. R. Cox was chosen to succeed him and continued as President until July 1868. The president was requested to petition the Legislature to ratify the reduction of the capital stock and to change the bonds held by the company so as to make them payable in federal instead of confederate currency.

At an adjourned meeting of stockholders held 26th of July, 1866, the resolution to scale the capital stock was

rescinded. It was also ordered that the fiscal year should thereafter end 31st of May and the annual meeting should be held on 3rd Monday in July each year. At a meeting of the private stockholders held the same day Jno. M. Morehead, H. A. Williard and J. M. Heck, were appointed a committee to confer with like committees to be appointed by the Raleigh and Gaston Railroad Company, the North Carolina Railroad Company and the city of Raleigh in regard to the value of the stock of the several stockholders and the propriety of a sale and an equitable division of proceeds.

The joint meeting of these committees was held 28th of November, 1866, in Raleigh. It was resolved.

1. That the Chatham Railroad Company should surrender to the city of Raleigh \$34,000 of state bonds paid by said city of Raleigh and cancel her subscription to the railroad to that extent the city ratifying the rest of her subscription.

2. Authorizing application to Legislature for authority to sell the road.

At director's meeting 13th March, 1868, a letter from Heck & Co., was read proposing to obtain an act from the Convention transferring the property of the Cape Fear and Deep River Navigation Company to the Chatham Railroad Company upon condition that the said company should re-transfer the same to Heck & Co., upon certain terms as to carrying stone for the company's bridge at Haw river and in regard to transportation of freight. The proposition was accepted by the board.

A special meeting of stockholders was held April 4th 1868 at which meeting Gen. W. R. Cox had read to the meeting, the act of the convention of March 11th, 1868, and on his motion it was unanimously adopted.

Hon. K. P. Battle introduced a resolution to accept the act of the convention of March 16th 1868, transferring to the Chatham Railroad Company the Cape Fear and Deep River Navigation Works, which was adopted.

On motion of Thomas Webb the stockholders adopted

a resolution allowing the Board of Directors to transfer the the said Cape Fear and Deep River Navigation Works to Heck & Co., if they should deem it advisable.

On motion of Dr. W. J. Hawkins a committee was appointed to report the value of each share in gold, discarding all fractions of shares and giving each stockholder at least one share. The committee subsequently made a detailed report to the meeting which was adopted. The capital stock was fixed at 8,763 shares of \$100 each making \$873,600. At the annual meeting 20 July 1868 the President and Directors were instructed to execute the mortgage to the State required by the ordinance of the convention of March 11th 1868, and to receive from the Public Treasurer the \$1,200,000 state bonds thereby authorized. At the Directors meeting Dr. W. J. Hawkins was unanimously elected President, which position he filled by successive re-elections till his resignation, October 3rd, 1875.

At a special meeting of stockholders held 4th of September, 1868, the act of the Legislature ratified 3rd of August, 1869, entitled "an Act to extend the Chatham railroad" and an act ratified 15th of August, 1868, entitled "an act to amend the charter of the Chatham Railroad Company," were both unanimously accepted, and on motion of Geo W. Mordecai Esq., it was unanimously resolved that the President and Directors be instructed to prepare and execute the \$2,000,000 mortgage authorized by the last named act and receive said amount of State bonds from the Public Treasurer.

At a called meeting of stockholders held 10th of January, 1869, the act of the South Carolina Legislature entitled "an act to enable the Chatham Railroad Company to extend their road to Columbia," ratified 19th of September, 1868, and the act of the North Carolina Legislature entitled an "Act to re-enact and confirm certain acts of the General Assembly authorizing the issue of State bonds to and for certain Railroad Companies" were both on motion of K. P. Battle, unanimously adopted.

On 6th July, 1869, the Board of Directors executed a contract with Jno. F. Pickrell & Co. to finish the first thirty miles of the road, including purchase of iron for the same, and excepting bridge over Haw river.

At the annual meeting 19th July, 1869, the stockholders accepted the act of the General Assembly ratified 10th April, 1869, entitled an "act to enable the Chatham Railroad Company to complete its road," and authorized the execution of mortgage and the issue of \$2,000,000 of mortgage bonds.

At Directors' meeting, January 6, 1870, A. B. Andrews was elected Superintendent, which position he filled till his resignation, November 1, 1875.

At the adjourned stockholder's meeting 22nd July, 1870, the day of the annual meeting was changed so as to thereafter fall on the Friday after the 3rd Thursday in July in each year.

At a special meeting of stockholders, held January 9, 1872, the act of the General Assembly, ratified 13th December, 1871, entitled "an act concerning the Chatham Railroad Company, amendatory of certain acts and authorizing a change of name," was accepted by the stockholders as a part of the charter, and thereupon the name of the Company was changed to

THE RALEIGH AND AUGUSTA AIR-LINE RAILROAD COMPANY.

At Directors' meeting, April 16, 1872, it was ordered that the Treasurer of the Company purchase State bonds, and with them take up the \$1,200,000 of the mortgage bonds of the road held by the Public Treasurer as authorized by the Ordinance of Convention 11th March, 1868. A letter was read from J. B. Batchelor, one of the Directors, dated 9th April, 1872, stating that he had seen the Public Treasurer, who agreed to accept any constitutional bond, old or new, but would not accept special tax bonds. Mr. Batchelor stated that he considered that the State was bound to receive special tax bonds if tendered,

and advised suit to be brought to enforce the right. He said that Hon. K. P. Battle, (former President of the road and also formerly Public Treasurer,) concurred in the advisability of bringing the suit.

At an adjourned meeting of stockholders, held October 4, 1872, the President and Directors were authorized to receive subscriptions to the capital to an amount which, together with that already subscribed, shall not exceed \$3,200,000. Of the additional stock so authorized 12,000 shares were to be guaranteed stock, paying eight per cent dividend per annum, payable semi-annually on 1st January and 1st July in each year, and a mortgage was authorized to secure said guarantee.

At a Director's meeting held April 23, 1873, the President reported that the Raleigh & Gaston Railroad had subscribed for \$1,000,000 of the guaranteed stock authorized by the last stockholders meeting, which subscription was accepted.

At a Directors' meeting held May 23, 1873, the new seal of the Company was exhibited and adopted and new certificates of stock were ordered to be issued in place of the "Chatham Railroad" certificates of stock.

At stockholders meeting held 18th July, 1873, it was resolved that the \$2,000,000 mortgage authorized and executed under the act of August 15, 1868 be cancelled, the \$2,000,000 of State bonds having been returned to the State.

At a Directors' meeting May 13, 1874, the purchase of 1,725 shares of Raleigh and Gaston Railroad stock was directed, which purchase was subsequently approved by stockholder's meeting 16th July, 1875.

On June 30, 1875, the Board of Directors issued an address to the public concerning the exchange of bonds with the Public Treasurer under the provisions of Ordinance of Convention of March 11th, 1868, and in regard to the act of March 22d, 1875, entitled "An Act explanatory of certain Acts, and to enable parties hold-

ing bonds of the State issued for internal improvements under Acts passed prior to the war to sell the same.

At Directors meeting held September 1st, 1875, Dr. W. J. Hawkins tendered his resignation as President of the Company to take effect September 30th.

At Directors meeting September 29th, 1875, Major Geo. W. Grice was elected President. On October 20th, Capt. A. B. Andrews having resigned as Superintendent, Major Jno. C. Winder was unanimously elected by the Board to succeed, which position he has continued to fill till the present.

Major Geo. W. Grice, the President of the Company, died suddenly November 12th, 1875, while on a visit to his former home in Portsmouth, Va. At a Directors meeting held November 24th, 1875, Jno. M. Robinson, Esq., was elected President of the Company. At the same meeting all resolutions authorizing an issue of mortgage bonds under the act of April 20th, 1869, were rescinded and the trustees requested to cancel the said mortgage and mortgage bonds, which was done as per report of trustees and Committee of Directors of January 28th, 1876. At a Directors meeting held April 6th, 1877, the President reported that the re-exchange of the \$1,200,000 of bonds with the State under provisions of ordinance of March 11th, 1868, had been fully completed and the bonds of the company re-surrendered were then cancelled.

At a special meeting of stockholders held 6th of April 1877, it was directed that a mortgage be executed on all the property of the Road to secure the guaranteed stock of the road. At a Directors meeting held the 7th of April, 1877, the above mortgage was duly prepared and executed, Charles M. Robinson of New York, Charles C. Savage of Philadelphia and Jno. W. Graham of Hillsboro being appointed trustees.

At the stockholders meeting held 20th July, 1877, the day of the annual meeting was changed to the 3rd Thursday in July each year.

Resolution of the Board of Directors, April 6, 1877.

The President reported to the Board that he had delivered to the Treasurer of the State \$300,000 of State bonds and taken up from the Treasurer the like amount of bonds of this company deposited with the Treasurer in exchange for State bonds issued to this company thus completing the payment of \$1,200,000 of bonds of this company delivered to the Treasurer under provisions of an ordinance entitled "An ordinance to amend the charter of the Clatham Railroad Company," ratified March 11th, 1868, and that the said bonds (300,000) would now be cancelled in the presence of the Board, the other bonds (\$900,000) having been heretofore cancelled, which was accordingly done.

THE MORTGAGE INDEBTEDNESS OF THE RALEIGH AND AUGUSTA
AIR LINE RAILROAD.

The only indebtedness of the Raleigh and Augusta Air Line Railroad Company at this date (August 1st, 1877) is the mortgage of \$1,000,000 authorized as will be seen below, to secure dividends of \$1,000,000 guaranteed stock.

Copy of Resolutions of the Stockholders of the Raleigh & Augusta Railroad Company, referred to the deed hereto annexed, adopted at a special Stockholders' Meeting held April 6th, 1877, by a vote of 15,454 shares in the affirmative and 153 shares in the negative.

WHEREAS, The General Assembly of North Carolina, by an act entitled "An act concerning the Chatham Railroad Company, amendatory of certain acts, and authorizing a change of name," which act was ratified on the 13th day of December, 1871, and accepted by the stockholders of the Chatham Railroad Company on the 9th day of January, 1872, did in the first section thereof

enact that the Chatham Railroad Company should thereafter be known by the corporate name of the Raleigh & Augusta Air Line Railroad Company, and did, in the second section of said act, make it lawful for said railroad company to change the line of its road so as to extend it as provided in that section, and did, in the third section of said act, enact that if the capital stock of said company, before authorized, should be deemed insufficient for the purposes of said act, it should be lawful for said company in general meeting to increase the same, and the Board of Directors, with the consent of a majority of the votes of all the stockholders in general meeting, might make such portion of the capital stock before authorized, or of any additions to the same, as they might deem advisable, a guaranteed or preferred stock, upon which such interest or dividends might be guaranteed as the directors might deem advisable; and the directors might, with the consent of a majority of all the stockholders in general meeting, secure such guaranteed interest or dividends, by lien or mortgage upon all the property and franchises and income of the company, or upon any portion thereof; and the directors might in their discretion authorize subscriptions to be made for such additional stock, (either common or guaranteed, or both,) at such prices and in such manner as might be prescribed by them, or might sell the same, or any part thereof, for the benefit of the company, *provided* that the entire capital stock so created should not exceed five millions of dollars, and by the fourth section of said act authority was given to the Raleigh & Gaston Railroad Company, or any other railroad company connecting therewith, to subscribe to or purchase stock of any kind of said Raleigh & Augusta Air Line Railroad Company, and it was made lawful for any such company to purchase or endorse the mortgage bonds of the Raleigh & Augusta Air Line Railroad Company;

And whereas, At an adjourned meeting of the stock-

holders of the Raleigh & Augusta Air Line Railroad Company, held on the 19th of July, 1872, it was

Resolved, 1. That the President and directors of the company receive subscriptions from time to time to the capital stock of the company to an amount which, with that already subscribed, shall not exceed thirty-two thousand shares.

Resolved, 2. That of the issue of said stock, twelve thousand shares be a guaranteed stock, entitled under any circumstances to receive eight per cent. per annum, and the President and directors are instructed to pay semi-annual dividends on said shares on the first days of July and January in each year, of not less than four per cent., any holder of said guaranteed shares being privileged to receive any excess of semi-annual dividends beyond four per cent. which may be at any time paid on the common stock of the company without impairing the guaranty of eight per cent. per annum given by this resolution.

Resolved, 3. That for the purpose of securing, beyond any contingency, the payment of eight per cent. per annum on the guaranteed shares so created, the stockholders pledge themselves, in the event of its being at any time thereafter deemed requisite or advisable for the company to give a deed of trust or mortgage on any of its property or privileges, to embrace said shares in the first deed of trust or mortgage given by the company and to protect the guarantee given in the preceding resolution by making the principal of the whole guaranteed stock created by said resolution and eight per cent dividend on the same part, of the first lien on all the property, rights, privileges and franchises of the company, and a debt of the company immediately payable in the event of any default in the punctual payment of the dividend so guaranteed.

And whereas, After the capital stock of the company before authorized had thus been deemed insufficient for the purposes of the act of December 13th, 1871, and

after the company had thus in general meeting increased the same, the Board of Directors, with the consent of a majority of the votes of all the stockholders so given in general meeting, did make a portion of the capital stock or of additions to the same, a guaranteed or preferred stock upon which such interest or dividends are guaranteed as are mentioned in said resolutions of the stockholders, the directors deeming the same advisable, and the Raleigh & Gaston Railroad Company has subscribed to, and thereby purchased such guaranteed or preferred stock to the amount of one million of dollars, and further portions of such guaranteed or preferred stock may be subscribed for or purchased, by other companies or persons if such guaranteed interests or dividends be effectually secured.

THEREFORE, in this general meeting of the stockholders of the Raleigh & Augusta Air Line Railroad Company, it is now

Resolved, That the directors may, with the consent, which is hereby given, of a majority of the votes of all the stockholders, secure all such guaranteed interests or dividends as are hereinbefore mentioned by a deed of trust, mortgage or other lien upon the whole of the said company's railroad rights, privileges, and franchises, and all its works and property of every description.

On motion of Maj. John W. Scott the foregoing preamble and resolutions were adopted by a stock vote of 15,454 shares in the affirmative, and 153 shares in the negative.

Resolution of the Board of Directors, April 7, 1877.

The President informed the Board that he had caused to be prepared by counsel, and now submitted to the Board for approval, the form of a deed to secure such guaranteed interests or dividends as are mentioned in

the resolution of the stockholders of this company, adopted on the 6th day of this month, whereupon.

Resolved; That a deed of trust be now executed according to the form so submitted, and that Charles M. Robinson, of New York, Charles C. Savage, of Philadelphia, and John W. Graham, of Hillsboro, N. C., be the trustees therein.

Thereupon, in the presence of this Board and by its authority, the said deed was sealed with this company's common seal, and signed by the President and two of the directors of the company and attested by a witness.

The following is the

DEED OF TRUST.

WHEREAS, on the third day of October, 1872, the stockholders of the Raleigh and Gaston Railroad Company, and on the twenty-third day of April, 1873, the President and Directors of said company resolved as set forth in resolutions of which copies are subjoined to a deed made on the day last mentioned, between the said company of the first part, and Edmund Randolph Robinson, of New York, William Norris Wheelan of Philadelphia and William E. Anderson of Raleigh, N. C., of the second part, which deed is registered in the State of North Carolina, in the several counties of Wake, Granville, Franklin, Warren and Halifax, and whereas, on the sixth day of April, 1877, the stockholders, and on the seventh day of the same month the Directors of the Raleigh and Augusta Air Line Railroad Company resolved, as set forth in resolutions, copies of which are hereto subjoined. Therefore this deed made on the day last mentioned between the Raleigh and Augusta Air Line Railroad Company of the first part, and Charles M. Robinson of New York, Charles C. Savage of Philadelphia and John W. Graham of Hillsborough, North Carolina, of the second part: *Witnesseth* that this deed is made to secure such guaranteed

interest, or dividends upon the guaranteed or preferred stock, provided for by the act of North Carolina, ratified on the thirteenth day of December, 1877, as are mentioned in said resolutions of the stockholders, adopted on the sixth day of April 1877, according to the pledge contained in resolutions adopted at an adjourned meeting of stockholders of the same Company, held on the 19th of July, 1872, and the Raleigh and Augusta Air Line Railroad Company in consideration of the premises, and of ten dollars paid to said company by said parties of the second part, before the sealing and delivering hereof, hath granted, bargained and sold and by these presents doth grant, bargain, sell, convey, assign, transfer and set over unto the parties of the second part, the whole of the said company's said road rights, privileges and franchises and all its works and property of every description to have and to hold the same unto the parties of the second part, their heirs, successors, and assigns. *In trust* that until there shall be default in paying on the first day of July or January in any year a semi-annual dividend of not less than four per cent. on any shares or share of the guaranteed, or preferred stock before mentioned, the said company may retain possession of its works and property and enjoy the same with the rents, tolls and other income thereof and the President and Directors may manage and operate said works and property, and apply the proceeds thereof, in accordance with the charter of the company and the deeds made to and by it, and at any time or times before such default, the said parties of the second part, or any two of them, the survivor of them, or his executors, or administrators may sell and convey any of the real and permit the sale and transfer of any of the personal property of said company, receive the proceeds of such sale or sales in bonds of the United States, or in coupon bonds of the Raleigh and Gaston Railroad Company, secured by the said deed of the twenty-third day of April, 1873, or in other property, holding what is so invested with the interest, and

other income thereof, upon the same trusts as are declared in respect to the property, out of the sale whereof the proceeds so invested shall arise. But in case there shall be default in paying on the first day of July or January in any year a semi-annual dividend of not less than four per cent. on any shares or share of the guaranteed or preferred stock before mentioned, then, if the default shall continue for two months, the said parties of the second part, or any two, or either of them, or the executor or administrator of the survivor of them may proceed personally, or by attorney or agent to take possession of the company's works and property and manage the same, and apply so much of the rents, tolls and other income thereof, as may be necessary to defray taxes, charges for repairs, and the expenses of operating the railroad and conducting its business, and whether such possession be taken, or not, the parties of the second part, or any two, or either of them or the executor or administrator of the survivor of them, may, and if required by the holders of certificates for the greater part of those shares of said guaranteed or preferred stock, for which certificates may have been issued shall give notice of the time and place of sale of all the company's works and property by advertisement, published not less than three times a week for six weeks, in two daily newspapers published in the city of New York and in one newspaper published in each of the cities of Philadelphia, Norfolk, and Raleigh, if, and so far as the same may be practicable and at said time and place or such time and place as the sale may be adjourned to, shall make a sale under the deed of all the company's works and property for cash, or upon such credit as may be prescribed by the holders of certificates for the greater part of the shares of said guaranteed or preferred stock for which certificates may have been issued and after receiving the purchase money, shall make pursuant to the sale a conveyance, by which sale and conveyance there shall pass to the purchaser at the sale, not only the works and property of the

company, as they were at the time of making this deed (or the proceeds before mentioned of sales of said property) but any works which the company may, after this time and before the sale, have constructed and all other property of which it may be possessed at the time of the sale, other than debts due to it and all the money which may be received in the execution of this trust, whether for income or proceeds of sale shall be applied, first to the payment of necessary expenses, including a commission to be divided between the acting trustees of five per cent. on the first one thousand dollars, and three per centum on the residue of such income or proceeds and then *pro rata* to pay the holders of certificates of shares of said guaranteed or preferred stock, not only such semi-annual dividends as may, at the time of the sale, be in arrear on said shares, but also the par value of said certificates and the surplus shall be subject to the payment of all money for which the company may, at the time of such sale, be liable, or otherwise than in respect to said certificates of shares of guaranteed or preferred stock and after payment of all debts due by the company, then whatever may remain, of said surplus, shall be distributed among the holders of shares of stock of the company, other than said guaranteed or preferred stock according to the respective interest of such holders.

If before a sale and conveyance by virtue hereof any of the parties of the second part shall die, or become incapable of acting in the execution of the trusts, the survivors or survivor of said parties may, by an instrument of writing, signed and sealed, appoint successors, or successor, in the place and stead of them or him so dead or incapable, such instrument, after being duly acknowledged or proven, shall be registered in the counties wherever this deed is registered, and from the time of the complete registration thereof, such successor shall, without any further conveyance, be invested with all the right, estate, power and authority, which the party in

whose place and stead he is appointed, had when such party died or became incapable of acting.

Sealed with the common seal of the Raleigh & Augusta Air Line Railroad Company, and signed by the President thereof and two other members of the corporation, also signed and sealed by the parties of the second part.

JOHN M. ROBINSON, *President.*

JOSEPH B. BATCHELOR, *Director.*

(Signed.)

WALTER CLARK, “

CHARLES M. ROBINSON, *Trustee.*

CHARLES CHAUNCY SAVAGE, *Trustee.*

JOHN W. GRAHAM, *Trustee.*

Attested by the following witnesses :

THOMAS BADGER,	} As to	Jno. M. Robinson, Jos. B. Batchelor,
		Walter Clark, Jno. W. Graham.
CHARLES CHAUNCY,	—As to	Charles C. Savage.

STATE OF NEW YORK, }
City and County of New York. } ss.

On this 13th day of April, A. D., 1877, before me, Charles Nettleton, a Commissioner appointed by the State of North Carolina, in and for the State of New York, residing in said city of New York, personally came Charles M. Robinson, the bargainer in the foregoing instrument, and acknowledged the execution thereof.

In witness whereof, I have hereunto set my hand [L. s.] and affixed my official seal, this 13th day of April, A. D. 1877.

(Signed.)

CHARLES NETTLETON,

Commissioner for North Carolina in New York, No. 117 Broadway N. Y. City.

STATE OF PENNSYLVANIA, }
City and County of Philadelphia. } ss.

On this, the 14th day of April, A. D. eighteen hundred and seventy-seven, before me, Charles Chauncy, a Commissioner appointed by the Governor of the State of

North Carolina, in and for the State of Pennsylvania, personally appeared Charles C. Savage, one of the bargainors in the foregoing deed of trust, personally known to me, and the said deed being also produced and exhibited before me, he acknowledged the execution thereof.

[L. S.] Witness my hand and official seal, the day and year above written.

(Signed.)

CHARLES CHAUNCY,
A Commissioner of North Carolina.

STATE OF NORTH CAROLINA, } *Probate Court.*
Wake County.

Be it remembered that on the seventeenth day of April, A. D. 1875, the execution of the foregoing trust deed on the part of John M. Robinson, Joseph B. Batchelor, Walter Clark and John W. Graham, together with the corporate seal of the Raleigh and Augusta Air Line Railroad Company affixed hereto was proven by the oath and examination of Thomas Badger, the subscribing witness thereto, and the due acknowledgement to the foregoing trust deed by Charles M. Robinson, one of the grantors thereto before Charles Nettleton, a commissioner for North Carolina in New York, the certificate and seal of which is hereto annexed and adjudged to be in due form and according to law and the due execution of the same on the part of Charles C. Savage, being duly acknowledged before Charles Chauncy, a Commissioner of North Carolina for Pennsylvania, his certificate of the same and seal attesting is exhibited before me, which is adjudged to be in due form and according to law. Let the said trust deed and these certificates be registered.

In witness whereof, I have hereunto set my hand and official seal, this the day and date above written.

(Signed)

J. N. BUNTING C. S. C. and

Probate Judge.

Filed for registration April 19th 1877, at $\frac{1}{4}$ before nine o'clock a. m. and registered in the Register's office of Wake county in book No. 47, pages 338 to 345, inclusive the 19th day of April, 1877.

(Signed) W. W. WHITE,
Register of Deeds.

The deed was immediately thereafter also proven and recorded in Moore, Chatham and Richmond counties.

THE END.

